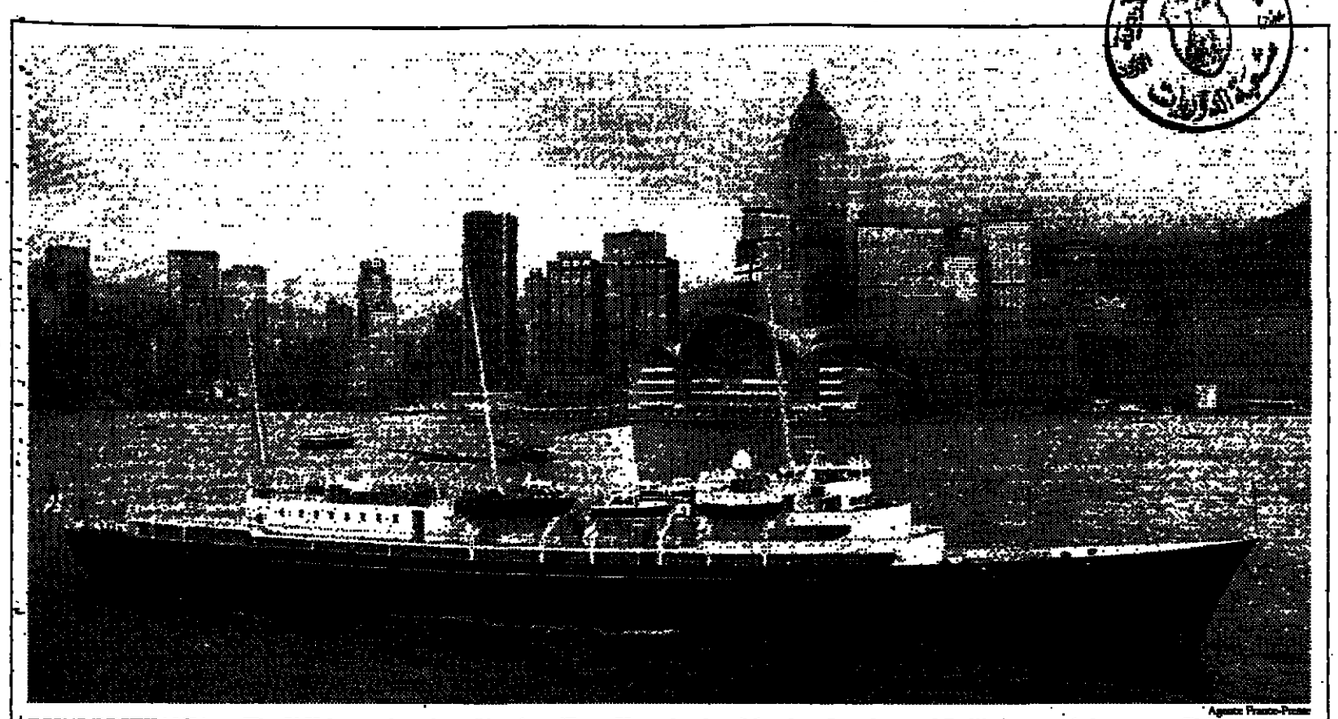
International Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper | R | London, Tuesday, June 24, 1997 | No. 35,555

TODAY: STYLE Cruise Lines, Page 11



Agence France-Presse

RULE BRITTANIA — The U.K.'s royal yacht sailing into Hong Kong harbor Monday. London and Beijing agreed that more Chinese Army soldiers could enter the colony before British rule ends at midnight June 30. China will deploy up to 10,000 troops after the handover. Page 10.

White House Loses A Whitewater Feud

Lawyers for Hillary Clinton Must Give Notes to Grand Jury

By Brian Knowlton
International Herald Tribune

WASHINGTON — The Clinton administration suffered a major legal setback Monday as the Supreme Court rejected a White House effort to withhold notes from conversations between Hillary Rodham Clinton and lawyers that are being sought by the grand jury in the Whitewater affair.

Without comment, the justices let stand a ruling by a federal appeals court that normal lawyer-client privilege does not apply to government lawyers' notes that are sought by a grand jury.

The White House, whose argument was joined by many lawyers and some former U.S. attorneys general, had held that a loss of such privilege would make it difficult for the president and other government officials to conduct business.

The papers being sought must now be turned over to the grand jury in Little Rock, Arkansas, that is looking into the business dealings of President Bill Clinton and Mrs. Clinton.

The White House counsel, Charles Ruff, criticized the high court's stance. "We continue to believe that government lawyers must be allowed to have confidential discussions with their clients if they are to be able to provide candid and effective legal advice," he said, "and we regret that the court has decided not to resolve this important issue."

The court's decision was a clear victory for Kenneth Starr, the special prosecutor heading the Whitewater investigation. Court papers filed by his team have referred to Mrs. Clinton as a "central figure" in the inquiry. His office had no immediate comment Monday.

On Monday, with its term drawing to an end, the high court issued rulings in several other high-profile cases. Most notably, the court ruled that states could confine dangerous sex offenders to mental institutions even after their prison sentences had ended. (Page 3)

The court's decision not to take up the case involving Mrs. Clinton's notes comes just weeks after another legal setback. The high court cleared the way for a former Arkansas state employee, Paula Corbin Jones, to pursue a sexual

See CLINTON, Page 6

On Sale! Lost the Lease! Everything Must Go!

By Keith B. Richburg
Washington Post Service

HONG KONG — Deng Xiaoping must be rolling over in his grave.

"One country, two systems" was the mantra of China's late leader, referring to a formula that would allow Hong Kong to keep its separate system intact after it is absorbed into China.

Now with barely a week left before Hong Kong's historic change of sovereignty — an event known here simply as the Handover — Mr. Deng's phrase has become the tiringly familiar slogan of consumerism.

"One Country, Two Pubs!" boasts a T-shirt outside Delaney's Irish Pub, sporting a picture of a contented Mao Zedong downing a pint of Guinness.

Business corruption could be the wave of the future for Hong Kong. Page 17.

"One Country — France. Two Systems — fixed price and a la carte," says a French-style bistro, Café la Cite.

It goes on. One price, two dresses. One store, two sales. One party, two hangovers. It's the great Handover giveaway.

And so it has come down to this on the eve of one of the 20th century's momentous events: Hong Kong's return to China has been reduced to a citywide commercial frenzy — the end of empire as retail sales pitch. Hurry! Only a few shopping days left under British rule!

There are Handover watches and Handover jew-

See HANDOVER, Page 10

Pedophilia and Justice

4 Suicides Follow Sweep by French Police

By Craig R. Whitney
New York Times Service

PARIS — Did French gendarmes go too far in a highly publicized sweep across the country last week that picked up 800 people suspected of pedophilia? Justice Minister Elisabeth Guigou wondered Monday whether they had, after four of the suspects committed suicide.

"I wonder whether we need these spectacular arrests and all this publicity," she said on Europe 1 radio, as human rights groups charged that in their zeal, the gendarmes had trampled the right of the defendants to be presumed innocent before trial.

Relatives of the fourth suicide, a 39-year-old unmarried Bordeaux schoolteacher whose car was found abandoned Saturday morning on the roadway of a suspension bridge across the Garonne River, retained a lawyer who said they would sue the authorities for "violation of the presumption of innocence and putting others in danger."

The raids have resulted in 323 people being placed under investigation, the equivalent of being arraigned, and 24 being arrested in the past week in an emotionally charged atmosphere recalling the case of Marc Dutroux, a serial pedophile killer in Belgium who through police incompetence was able to go on taking victims long after authorities were onto his trail.

"We are living in a witch-hunt atmosphere that is due objectively to the facts, but it also owes a lot to the Dutroux affair," said Henri Leclerc, president of the League of Human Rights in Paris. "In a witch hunt, there are no small witches and big witches," he said. "No distinction is being made between Dutroux's crimes, the disappearance of children, rapes, sex crimes and pedophile voyeurism."

The schoolteacher, Gilbert Pic, had been placed under investigation last week and temporarily forbidden from having contact with minors, newspaper

See FRANCE, Page 6

Is There a Viable 'Third Way' for Global Capitalism?

By Steven Pearlstein and Paul Blustein
Washington Post Service

To hear it from President Bill Clinton at the economic summit meeting in Denver last weekend, America's entrepreneurial capitalism has proved itself to the world as the model for how an economy should be organized.

But European leaders seemed as uncomfortable with Mr. Clinton's cowboy capitalism as they were with the cowboy boots he presented them.

"I don't think you have to spend a long time in the inner cities of the United States to see that all is not a paradise," said Leon Brittan, the European trade commissioner.

For many, this standoff confirmed a widely held view that there is a stark, fundamental choice to be made between a hard-hearted capitalism in which workers are sacrificed at the altar of lower prices and higher profits, and a soft-hearted capitalism that sacrifices jobs and growth for economic security.

But among American economists, there now is a surprisingly broad consensus that it is not an either/or choice, that a viable alternative may exist that would combine the best of both systems.

"One can have an economic policy that preserves tremendously strong market incentives for innovation and efficiency that remains pretty darn generous to those who need help," said Mancur Olson, a professor at the University of Maryland.

Robert Frank, an economist at Cornell University's Johnson School of Management, said: "We can have the best of both worlds. On the big questions — strong growth, more equality — there is virtually no need to compromise."

The search for a "third way" got a boost in Denver on Sunday when Gordon Brown, the new chancellor of the Exchequer, said it would be the central topic of next year's summit meeting, in Birmingham, England.

"Some countries have high levels of growth without the social inclusion to the extent they would like to see it," he said. "Other countries have social protection systems without high levels of growth. The challenge is to combine

See MODEL, Page 6

And Now a Summit About the Earth

A United Nations conference on the environment, called Earth Summit, has opened in New York with a challenge by European nations aimed at the United States. The Europeans want Washington to accept firm targets for reducing cardon dioxide to combat global warming. So far, the Clinton administration, under pressure from U.S. industry and a skeptical Congress, has balked at committing to any specific timetable. Page 6.

Vietnam: Far From a Worker's Paradise

As Foreign Investment Grows, Its Abuses Bring Discontent and Strikes

The Associated Press

CU CHI, Vietnam — More than four decades after the Communists came to power in the north, Vietnam is facing unprecedented discontent in its labor force.

Fed up with abusive foreign supervisors and sweatshop conditions, Vietnamese are walking off the job in record numbers in a country where strikes were illegal until three years ago.

Of the 24 legally recognized strikes during the first three months of the year, 18 were in factories controlled by foreign investors.

The dilemma for Hanoi: How do you balance the country's growing dependency on foreign investment while standing up for labor rights?

State news media have publicized some worker complaints to put pressure on foreign business operations, but the government has remained neutral on the issue of specific strikes, which often end with labor complaints unresolved.

The authorities are working on setting up labor courts to deal with disputes, but so far, even with a labor code on the books to define worker rights and employer obligations, enforcement of the rules is proving to be an elusive goal.

"Strikes are occurring for different reasons," said Phan Duc Binh, a lawyer in the Labor Ministry. "Primarily, we're seeing that employers aren't protecting the rights of workers. Now we've got foreign investors coming in who don't know anything about our rules."

In southern Vietnam, high-profile incidents of physical abuse against employees at factories working under contract to Nike Inc., the American footwear giant, have fueled charges that foreign companies exploit Vietnamese labor.

"This is not only a country that needs foreign investment, we need to build a

See VIETNAM, Page 10

Adam Butler/Agence France-Presse

BACKHAND SPLASH — Groundskeepers covering the newly opened No. 1 court on a rain-soaked opening day at Wimbledon. The defending champion, Richard Krajicek, won a straight-sets victory. Page 18.

FBI Agent Who Spied for Russia Gets 27 Years

ALEXANDRIA, Virginia (Reuters) — A former FBI agent who pleaded guilty to two espionage charges for selling U.S. national security documents to Russia was sentenced Monday to 27 years in prison.

Earl Pitts, a 13-year FBI veteran, was arrested Dec. 18 for passing vital secrets to Russian intelligence agencies for $224,000 from 1987 to 1996, thus betraying some of the FBI's most sensitive operations.

PAGE TWO
U.S. Prison Is Tougher on Convicts

EUROPE Page 5.
A Russian Vote to Curb Churches

Books ..... Page 4.
Crossword ..... Page 10.
Opinion ..... Pages 8-9.
Sports ..... Pages 18-19.
The IHT on-line http://www.int.com

AGENDA

India and Pakistan To Meet on Kashmir

India and Pakistan agreed Monday to explore possible solutions to their 50-year dispute over the Himalayan territory of Kashmir.

The specific commitment to seek a resolution to the Kashmir dispute was contained in a joint statement issued after a weekend of talks between top diplomats of the two countries in Islamabad, Pakistan. The diplomats are scheduled to meet again in New Delhi in September.

Until Monday, India and Pakistan had not concluded an agreement about how to approach their biggest dispute since they signed a 1972 pact to seek a peaceful settlement. Page 4.

The Dollar

New York	Monday @ 4 P.M.	previous close
DM	1.7185	1.7276
Pound	1.6717	1.6565
Yen	114.87	114.875
FF	5.7975	5.8265

The Dow

	Monday close	previous close
-192.25	7604.26	7796.51

S&P 500

change	Monday @ 4 P.M.	previous close
-20.08	878.62	898.70

Sponsored Section Pages I-II
BUILT FOR BUSINESS: JAPAN

Japan Firms Start to Balk at Payoffs

By Sandra Sugawara
Washington Post Service

TOKYO — The man who called at the headquarters of a small company called Mitsui High-Tec didn't come right out and say it, but his message was clear enough: Give me some money and I won't make trouble for your business.

The executives who received him knew very well who he was — a breed of extortionist, unique to Japan, who specializes in squeezing illegal payments from public companies, what the Japanese call a *sokaiya*. The implicit threat: hostile questions at the next shareholders' meeting, a sound-truck barrage outside the houses of executives, maybe even violence.

Mitsui High-Tec declined to hand over any money, executives said, so the visitor tried to negotiate, offering to help disguise the payments so that government auditors could not detect them and take action against the company. The advice, recalled the company's chairman, Yoshiaki Mitsui, was: "Use your brain. You're buying tea or toilet paper. Buy them from us." Mr. Mitsui knew that would mean vastly inflated prices.

Sooner or later, most every publicly traded company in Japan gets a visit from sokaiya, who demand money to get lost or to provide "security" at the shareholders' meeting.

"It is said that Japan is a safe country, but underneath this facade there is terrorism against companies," said

See JAPAN, Page 6

Newsstand Prices

Bahrain	1.000 Din	Malta	55 c.
Cyprus	C. £ 1.00	Nigeria	125,00 Naira
Denmark	14,00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Rials
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim.$30.00

9 770294 805025 26

Still Reeling From Civil War, Liberians Hurtle Toward Elections

By James Rupert
Washington Post Service

MONROVIA, Liberia — In the jungle, war-charred villages crumble into ruin. Mines and rubber plantations yield rust and weeds instead of profits and jobs. About half the country's people have fled for shelter to refugee camps or to Monrovia's slums.

Liberia is an exhausted wreck.

With help from West African peacekeeping troops funded by the United States, it has pushed its seven-year civil war into fragile remission. And it is rushing toward an election next month that could further suppress that war — or reignite it.

Liberia is to choose a legislature and a president on July 19 — too soon, according to almost everyone here, for the vote to be well run. The election's early date — a result of West African politics and a misunderstanding involving West African leaders, according to election workers — increases the risk that it will destabilize, rather than pacify, the country.

Liberia's civil war began in 1989, when a former government bureaucrat, Charles Taylor, formed an army to overthrow the brutal regime of Samuel Doe. In a nation where the vast majority of people are mired in crushing poverty, Mr. Taylor and other leaders with access to money and guns had no difficulty recruiting desperate young men to fight and loot.

Mr. Taylor and his rivals have led less a military struggle than a seven-year spasm of massacres, rape and looting directed at civilians. The country is nominally ruled by a transitional Council of State.

Of about 2.5 million Liberians, aid agencies estimate that 150,000 to 200,000 — or 6 to 8 percent of the population — have been killed and as many as 1.5 million forced from their homes.

In this shattered land, where people struggle to survive in the rubble of what once was an economy, almost no one is ready for an election. And about 660,000 people, a quarter of the population, are refugees abroad, where they will be unable to vote.

A month before voting day, the election commission still is establishing branch offices in the provinces. Many Liberians are unaware who is running or how the vote will be conducted. Be-

See LIBERIA, Page 6

هكذا من الأصل

Throwing Away the Key / **'Super-Maximum' Prisons**

Virginia Gets Even Tougher on Its Convicts

By Peter Finn
Washington Post Service

BIG STONE GAP, Virginia — On a 3,000-foot elevation, surrounded by the lush, wooded Appalachian Mountains, a new definition of hard time in Virginia is rising in a series of bunker-like buildings.

This is where Virginia is building one of two "super-maximum" prisons, harsh institutions that have become common in the United States. An identical 1,267-inmate facility is being built 35 miles northeast of here on Red Onion Mountain, near Pound. Both will open next year.

The inmates in the new prisons will be divided into two groups: general population and segregated. Those in segregation — as many as 192 prisoners in eight units at each prison — will be in 23-hour lockdown. Their tiny cells have narrow slats to let in natural sunlight. Through the slats, there is a spectacular view here of the valley below, but prison officials plan to smoke the windows before the prison opens so inmates can't see out.

For the segregated prisoners, there will be no group activities, no educational or vocational programs, no television and no sports. Some of them also may be denied reading material. Exercise will be limited to an hour a day of pacing alone in a narrow concrete yard. When visitors are allowed, they will not be permitted to touch the prisoners; even the most secure of Virginia's current prisons allow an embrace at the beginning and end of a visit.

Such super-maximum prisons have drawn criticism from prison rights advocates and human rights groups. But prison officials say they are essential to manage the most violent and incorrigible convicts.

Ronald Angelone, director of the Virginia Department of Corrections, said the abolition of parole for all crimes committed in the state after Jan. 1, 1995, means that the state will have many more prisoners to handle in coming years. So the state needs tougher prisons to house them, he said.

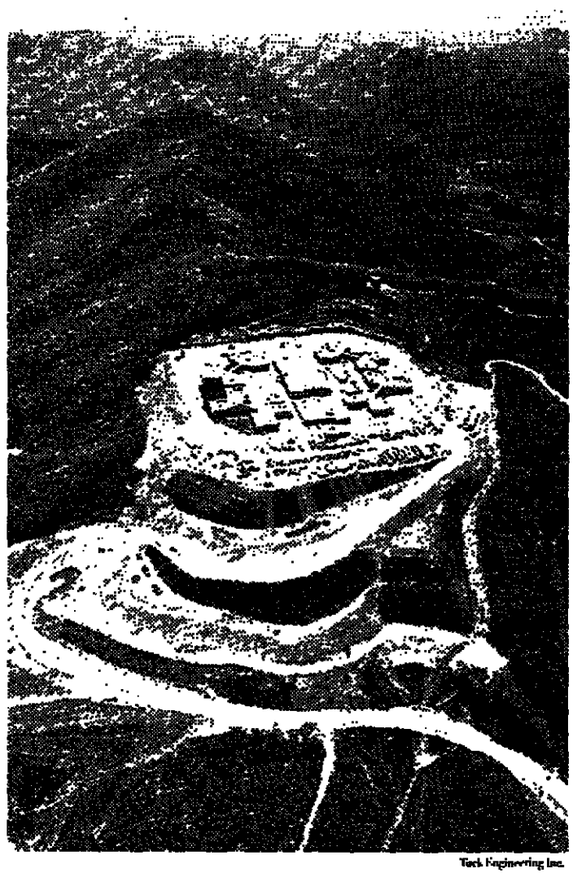
Although the rate of violent crime in Virginia has remained steady or dropped every year since 1993, the number of state prisoners has increased, from 17,000 in 1993 to 24,000 today, and will reach 40,000 in 2002, state officials said.

Because of that projected growth, the state is in the midst of a $420 million prison building boom. In addition to the two super-maximum facilities, officials are building two maximum-security prisons, a women's prison and the state's first private prison.

The two super-maximums will be needed to handle the larger number of violent inmates serving true life sentences, Mr. Angelone said. "Prisoners will be totally under the control of correctional officers," he said. When prisoners are taken out of their cells, whether for showers, exercise, or legal, medical or family visits, they will be shackled, handcuffed and accompanied by two guards. Above them, at all times, more guards will watch from gun ports. The guards will be armed with guns and, for use in less serious situations, such nonlethal weapons as rifles that can fire up to 300 rubber balls.

"The prison is designed so that there are always sight lines for the officers," said Mr. Angelone, who noted that older prisons have corners where prisoners, they can escape scrutiny.

The segregated units mostly will be used to house prisoners who have committed offenses inside prison. Depending on the crime, some will be held in segregation for years. "We are dealing here with the worst of the worst," Mr. Angelone said.



Tuck Engineering Inc.

A view of the Wallens Ridge facility being cut into the Appalachians. 'Segregated' inmates will be cuffed and escorted from their cells for an hour a day.

State correctional systems have been building super-maximum prisons, modeled after the federal prison at Marion, Illinois, since the 1980s. At least 40 states have such facilities.

THE TREND concerns some human rights groups, who say the complete isolation of prisoners is degrading and has spawned violence and other abuses by guards.

The American Civil Liberties Union, Human Rights Watch and the American Friends Service Committee have complained of beatings and hog tying of inmates and of guards forcing prisoners to lap food from plates because their hands are cuffed behind their backs.

Some of the stun weapons that Virginia is introducing across its prison system, which every officer at the super-maximums will carry, have been condemned by Amnesty International as "cruel and inhumane." Mr. Angelone said such weapons protect inmates and guards without the need to resort to lethal force.

"There needs to be security, yes, but it always needs to be done in a humane fashion," said Jenni Gainsborough, public policy coordinator for the ACLU's National Prison Project. "There is tremendous potential for abuse in these places: the isolation, the weapons, the lack of any clear independent oversight. And the mental effect on people, particularly those who come in with mental problems, can be horrifying."

Indeed, one federal judge found that putting inmates with mental illness in such isolation was akin to "putting an asthmatic in a place with little air to breathe." The judge, in a California case, found that the mentally ill should not be so isolated, but he said such harsh conditions do not violate the constitutional rights of the prison population as a whole.

Officials here plan mental testing before confining prisoners to segregation. And Mr. Angelone, without commenting directly on conditions in super-maximum prisons in other states, said Virginia's would be different from most of the others.

Unlike most super-maximum prisons in the United States, Virginia's will have some general-population prisoners. Those inmates — violent, long-term felons who nonetheless obey the rules — will have some privileges denied to those in segregation. They will be allowed to congregate in the yard, and will have limited educational programs.

But even compared with maximum-security prisons in Virginia, those opportunities will be scant. At nearby Keen Mountain Correctional Center, a maximum-security facility, prisoners can participate in a variety of work programs, including silk-screening and making T-shirts, soap and license plates.

At Wallens Ridge and Red Onion, the only work will be janitorial, and educational programs will be limited to obtaining a General Educational Development diploma.

"What do we expect when these prisoners get out if there is no effort at rehabilitation and we just isolate them and encourage their antisocial tendencies?" Ms. Gainsborough of the ACLU asked.

But in Virginia, society's interest in rehabilitation will be moot for many super-maximum prisoners. Because of their sentences, and because the state has abolished parole, many will probably die in prison.

Germany's Far Right Just Can't Find Votes

Republicans Fail to Capitalize on Mood

By William Drozdiak
Washington Post Service

BERLIN — Everywhere he turns in Germany, Rolf Schlierer perceives the kind of gloomy social and economic conditions that he says should fuel a dramatic surge in the popularity of his far-right Republican Party.

A majority of German voters say they are anxious about the course of European unity, worried about surrendering their beloved Deutsche mark in favor of an untested Continental currency to be known as the euro, and frustrated by the bland message of their centrist political leaders.

Many Germans no longer take pains to hide fears that a sharp rise in foreign residents will transform society and depress living standards. With unemployment now close to 5 million, a level not seen since Adolf Hitler came to power in 1933, they say they are running out of patience with political bromides.

But to his chagrin, Mr. Schlierer is struggling to make headway with voters at a time when other rightist politicians in Europe are achieving dramatic gains. In Germany's last general election, the Republicans won barely 2 percent of the vote, and surveys show their support may be dwindling further.

Mr. Schlierer, an articulate politician, acknowledges that he and his movement remain handicapped by the Nazi legacy and the repulsion of German voters by what he calls "defense of national interests."

"There's no question our situation is different because of the German past," he said in an interview. "We are not chauvinistic; we only promote what we think is best for Germany. We want tougher action on crime, we want to preserve the mark, and we want to expel foreigners who commit crimes. But the press does not give us a fair hearing, and we get stuck with the neo-Nazi label."

Elsewhere in Western Europe, similar moods of disgust with mainstream politicians and dismay over their policy failures have propelled the rise of populist demagogues and extreme rightists. Amid grave uncertainty about the Continent's future and their own livelihoods, growing numbers of voters are embracing the xenophobic message of crusaders who want to expel foreigners, reverse the drive toward European unity and break the mold of the existing political power structure.

In France, the National Front is mounting a crusade to displace the Gaullists as the most powerful force on the right after winning 15 percent of the vote in recent elections. In Austria, Joerg Haider has vowed to become chancellor within two years now that his Freedom Party has secured the allegiance of nearly a quarter of the voters.

In Italy, the National Alliance under Gianfranco Fini also seems poised for a share of power after the next elections. In Denmark, Norway and the Netherlands, small rightist movements are luring voters who are disgruntled over high taxes, rising immigration and big government.

But even though Western Europe's biggest country is afflicted by record joblessness and is host to the largest number of alien workers, it has successfully thwarted the rise of far-right political movements that could resurrect fears at home and abroad about a revival of extreme German nationalism.

A key reason, sociologists say, may be Germany's sustained effort to deal squarely with the Nazi legacy. Unlike France, Austria and Switzerland, Germany, under the tutelage of Western powers, was not allowed to mask the truth about the devastating consequences of Nazi rule. Other nations shied away from the extent of their fascist sympathies during years of collaboration with the Nazis and are now paying a political price for their refusal to confront history.

Another factor is the all-embracing nature of the dominant German parties, especially Chancellor Helmut Kohl's Christian Democratic Union, which has smothered a lot of far-right tendencies within its broad populist tent.

"One of Kohl's greatest achievements has been to build a real people's party that absorbs a wide scope of opinion," says Werner Perger, political editor of Die Zeit, the prestigious weekly newspaper. "Kohl himself at times seems to the left of Britain's Labor Party prime minister, Tony Blair, but there are people in his party who are every bit as right-wing as Jean-Marie Le Pen," leader of France's National Front.

Sociologists say there is ample evidence of racial intolerance in Germany and a large growth potential for extremist views, most alarmingly among young people.

'There's no question our situation is different because of the German past.'

In Eastern Germany, disaffected skinhead youths have been accused of perpetrating a wave of firebombings against residences housing asylum seekers. Since Germany's unification seven years ago, more than 30 foreigners have been killed and hundreds injured in these outbursts.

German officials say much of this hatred may result from the education policies of the former East Germany's Communist rulers, who never instructed the population about the full extent of Hitler's atrocities against Jews, Gypsies and the citizens of occupied lands. The Communist history lesson focused on Hitler as a capitalist stooge who exterminated leftists.

But studies show that young people from some of Germany's most prosperous western regions also show sympathies that could be construed as nationalist or far-right.

In a study of 1,384 students from five universities in the western state of Hesse, Alex Demirovic and Gerd Paul of the Social Research Institute in Frankfurt reported that 15 percent of those questioned identified with positions espoused by the far right, including the expulsion of all foreigners who commit crimes.

"The lesson is that Germany with its Nazi past may indeed be different from its neighbors, but the potential support for right-wing populism is still there," says Peter Loesche, a political scientist at Goettingen University who has written several studies about Germany's far right.

"It's only lying dormant within our society. All it requires is a moderate, youthful, charismatic figure like Austria's Haider and you could see it take off with a young generation that has no direct link with Hitler and no prospects for full employment.

Mortar Fire Bars Meeting of Brazzaville Parliament

Compiled by Our Staff From Dispatches

BRAZZAVILLE, Congo Republic — Mortars were fired on the Parliament building during heavy fighting here Monday, preventing members from attending a meeting called by the president, a French diplomat said.

The fighting was the most serious violation of the truce agreed to last week in the power struggle between President Pascal Lissouba and a former dictator, General Denis Sassou-Nguesso. Mr. Lissouba had apparently called the session to review the conflict.

Laurent Viguier, first secretary at the French Embassy in Brazzaville, said the Parliament building came under artillery as well as mortar fire. He had no details about whether anyone in the building had been killed or wounded, but said there had been reports of deaths in battles in other parts of Brazzaville on Monday.

Details were sketchy because the fighting, which broke out at midmorning and lasted most of the day, made it difficult to gather information, Mr. Viguier said in a telephone interview. Brazzaville residents were pinned inside their homes.

Shells fired by one of the warring factions in Brazzaville also slammed into a military camp over the river dividing the Congo Republic from the former Zaire, now renamed Congo, witnesses and officials said.

"Seven shells hit Camp Tshatshi," Foreign Minister Bizima Karaha said. "We could tell precisely where they were fired from." Mr. Karaha called the incident unacceptable. Witnesses said there were no casualties.

"There was supposed to have been a meeting this morning," Mr. Viguier said of the Parliament, "but I think it was canceled because of the fighting."

The French ambassador, Raymond Cesaire, met Sunday with Mr. Lissouba and General Sassou-Nguesso as part of the attempts to end the fighting. Mr. Viguier said it was impossible to say Monday when such contacts would be resumed.

"It's very difficult to make plans when you are surrounded by men battling each other," he said. *(AP, Reuters)*

SUMMER PARIS SPECIAL

HOTEL Scribe PARIS

**** Deluxe Hotel
Between Opéra and Madeleine

Treat yourself to luxury from $199 per night

* Effective July and August 1997
single or double room with buffet breakfast
all taxes and service included. Limited availability
Contact your travel agent or call us direct
Tel: 33 (1) 44 71 24 25 - Fax: 33 (1) 44 71 24 42

MANAGED BY
Hotel Sofitel

Hotel Scribe - 1 rue Scribe - 75009 Paris

TRAVEL UPDATE

Strike Set for Paris Transit System

PARIS (AFP) — The Communist-led General Labor Confederation union said Monday that its workers on the Paris Metro and buses would strike Friday.

The one-day strike will protest a management plan to combine night bus services with a system for transporting bus and Metro night workers, leading to the loss of 27 jobs, the union said.

Impasse Hurts Israeli Tourism

JERUSALEM (Reuters) — The breakdown in Middle East peace talks is hurting Israel's tourism industry, the Israeli Hotels Association said Monday.

An association spokesman, Gilad Nachum, said 2.1 million tourists were expected to visit Israel this year, down from 2.4 million visitors in 1996.

"It's due to a lack of secure feelings among foreign tourists," Mr. Nachum said of the decline.

A work protest by airline technicians Monday forced Greece's national carrier, Olympic Airways, to cancel 19 domestic flights, stranding hundreds of travelers. The technicians had refused to work overtime. *(AP)*

Malta is planning to open two or three casinos in luxury hotels and let 18-year-olds frequent them in a bid to increase tourism. At the moment, the Mediterranean island has one casino, whose minimum age is 25. *(Reuters)*

The United States needs to do more to fight deadly, drug-resistant diseases that spread across borders because of the boom in international tourism, said the Board on International Health, a National Academy of Sciences unit. *(AP)*

WEATHER

Forecast for Wednesday through Friday, as provided by AccuWeather.

Jetstream — Unseasonably Cold — Unseasonably Mild — Heavy Rain — Heavy Snow

North America
Hot and humid across the Northeast Wednesday and Thursday, but thunderstorms with a front will provide some relief by Friday. Gusty thunderstorms will rumble from the central Plains Wednesday into the Midwest Thursday, then it will turn hot and dry. Comfortably cool in the Northwest.

Europe
Rainy, cool weather will move from England and France Wednesday to Germany and Scandinavia by Friday; there could be heavy rains over the area. Thunderstorms in Greece Wednesday will be followed by sunny, warmer weather. Mostly sunny and very warm in Italy through Friday.

Asia
Sunny, very hot and dry across the northern half of China through Friday. South-central China and northern Myanmar will have soaking rains. Humid in Tokyo with showers Bouly Wednesday, then some sunshine through Friday. A developing tropical storm may threaten southern Japan.

Europe

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Algarve	26/79	17/62 s	27/80	17/62 s
Amsterdam	15/59	6/48 pc	17/62	9/48 c
Ankara	32/89	12/53 s	32/89	12/53 s
Athens	33/91	21/70 s	29/84	20/68 s
Barcelona	22/71	14/57 s	23/73	16/61 pc
Belgrade	27/80	13/55 s	26/77	12/53 pc
Berlin	18/61	8/46 r	17/62	8/46 pc
Brussels	16/61	8/46 pc	17/62	11/52 c
Budapest	24/75	13/55 pc	24/75	12/53 s
Copenhagen	18/64	11/52 r	17/62	7/44 pc
Costa Del Sol	27/80	18/61 s	28/82	17/62 s
Dublin	14/57	13/55 c	17/62	11/52 r
Edinburgh	15/59	7/44 c	17/62	8/46 c
Florence	26/79	13/55 s	25/77	13/55 pc
Frankfurt	18/61	7/44 r	18/64	7/44 pc
Geneva	18/64	8/46 r	17/62	12/53 r
Helsinki	16/61	11/52 r	19/66	11/52 sh
Istanbul	35/95	20/68 s	30/86	18/64 pc
Kiev	25/77	13/55 r	25/77	13/55 s
Las Palmas	23/73	18/64 s	23/73	18/64 s
Lisbon	26/79	16/61 s	26/79	18/61 s
London	18/64	12/53 pc	17/62	12/53 r
Madrid	27/80	13/55 c	30/86	14/57 pc
Mallorca	29/68	15/59 s	29/68	17/62 pc
Milan	26/77	11/52 pc	25/77	14/57 pc
Moscow	23/64	17/62 pc	24/75	16/59 c
Munich	17/62	6/43 sh	18/64	8/46 c
Nice	22/71	14/57 pc	22/71	16/61 pc
Oslo	19/66	10/50 c	18/64	10/50 r
Paris	17/62	8/46 pc	17/62	11/52 sh
Prague	18/64	5/41 sh	18/64	7/44 pc
Reykjavik	11/52	7/44 r	11/52	7/44 sh
Riga	19/66	11/52 c	19/66	11/52 r
St. Petersburg	23/73	11/52 r	21/70	13/55 pc
Stockholm	20/68	12/53 pc	17/62	12/53 r
Strasbourg	18/64	6/46 c	19/64	11/52 c
Tallinn	18/61	11/52 r	18/66	11/52 sh
Tbilisi	28/73	18/61 r	27/80	17/62 sh
Venice	24/75	13/55 pc	22/71	14/57 c
Vienna	21/70	9/48 pc	20/68	10/50 pc
Warsaw	18/64	11/52 r	18/64	7/44 pc
Zurich	17/62	7/44 sh	17/62	11/52 c

Middle East

Abu Dhabi	37/98	24/75 s	38/100	25/77 s
Beirut	27/80	20/68 s	27/80	20/68 s
Cairo	37/98	19/66 s	38/100	19/66 s
Damascus	31/88	15/59 s	30/86	14/57 s
Jerusalem	29/82	14/57 s	29/82	13/55 s
Luxor	43/109	19/66 s	43/109	20/68 s
Riyadh	41/105	26/79 s	41/106	26/79 s

North America

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Anchorage	23/73	12/53 pc	22/71	12/53 pc
Atlanta	33/91	22/71 pc	30/86	21/70 pc
Boston	28/82	18/64 pc	28/82	19/66 pc
Chicago	33/91	22/71 pc	29/84	17/62 t
Dallas	33/91	23/73 pc	33/91	21/70 pc
Denver	30/86	12/53 pc	23/73	10/50 pc
Detroit	32/89	21/70 pc	29/84	18/64 t
Honolulu	31/88	23/73 pc	31/88	23/73 pc
Houston	34/93	23/73 pc	33/91	22/71 pc
Los Angeles	28/82	18/64 s	29/84	19/66 pc
Miami	31/88	25/77 t	32/89	25/77 t
Minneapolis	27/80	18/64 t	25/77	13/55 pc
Montreal	28/82	16/61 sh	28/82	21/70 pc
Nassau	31/88	23/73 pc	32/89	24/75 pc
New York	34/93	23/73 pc	28/82	24/75 pc
Orlando	32/89	22/71 t	33/91	23/73 t
Phoenix	41/106	25/77 s	40/104	26/79 s
San Fran.	24/75	13/55 s	24/75	13/55 s
Seattle	20/68	12/53 c	21/70	11/52 c
Toronto	29/82	18/64 c	30/86	17/62 pc
Vancouver	17/62	10/50 c	19/66	9/48 pc
Washington	34/93	24/75 s	36/97	26/79 pc

Asia

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Almaty	37/98	18/64 s	37/98	18/64 s
Bali	31/88	21/70 pc	31/88	21/70 pc
Bangkok	32/89	24/75 t	32/89	23/73 t
Beijing	41/106	26/79 pc	34/93	23/73 c
Bombay	30/86	26/79 t	29/84	27/80 t
Calcutta	32/89	24/75 r	32/89	24/75 c
Chiang Mai	32/89	23/73 r	32/89	24/75 r
Colombo	30/86	25/77 pc	29/84	24/75 t
Hanoi	31/88	23/73 r	32/89	24/75 c
Ho Chi Minh	33/91	23/73 pc	32/89	23/73 r
Hong Kong	29/84	26/79 r	29/84	26/77 c
Islamabad	45/113	26/79 s	45/113	27/80 s
Jakarta	31/88	23/73 pc	31/88	23/73 s
Karachi	36/97	28/82 pc	36/95	28/84 pc
K. Lumpur	32/89	23/73 pc	31/88	23/71 pc
K. Kinabalu	31/88	22/71 pc	30/86	23/71 pc
Manila	32/89	23/73 pc	32/89	23/73 r
New Delhi	42/107	29/84 s	43/109	31/88 s
Phnom Penh	33/88	23/73 r	31/88	24/75 r
Phuket	32/89	24/75 r	32/89	25/77 r
Rangoon	32/89	25/77 r	32/89	25/77 t
Seoul	32/89	19/66 s	29/79	22/71 t
Shanghai	28/82	24/75 t	31/88	23/73 c
Singapore	32/89	22/71 pc	32/89	23/71 pc
Taipei	32/89	23/73 pc	31/88	23/73 pc
Tokyo	28/82	23/73 pc	27/80	24/75 r
Vientiane	32/89	23/82 r	31/88	26/79 c

Africa

Algiers	27/80	18/61 s	24/75	14/57 pc
Cape Town	14/57	5/41 r	11/52	7/44 c
Casablanca	22/71	16/61 s	23/73	17/62 s
Harare	28/79	12/53 s	27/80	12/53 s
Lagos	29/82	22/71 r	28/82	23/73 r
Nairobi	24/75	12/53 pc	24/75	11/52 c
Tunis	29/82	16/61 s	26/79	18/61 c

Latin America

Buenos Aires	17/62	6/43 s	14/57	0/32 pc
Caracas	31/88	24/75 c	30/86	24/75 c
Lima	22/71	17/62 pc	21/70	16/61 pc
Mexico City	25/77	14/57 sh	19/66	12/53 s
Rio de Janeiro	28/82	21/70 s	27/80	21/70 s
Santiago	6/46	4/39 r	7/44	-2/29 r

Oceania

Auckland	11/52	7/44 pc	11/52	4/39 pc
Sydney	17/62	9/48 pc	16/61	10/50 sh

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, I-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

A two-month trial subscription.
Save up to 60%

Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning **AND** save up to 60% off the newsstand price.

COUNTRY/CURRENCY		2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,456	650	55%
BELGIUM/LUXEMB.	BEF	3,380	1,350	60%
DENMARK	DKK	780	360	54%
FINLAND	FIM	624	310	50%
FRANCE	FF	520	210	60%
GERMANY	DEM	182	72	60%
GREAT BRITAIN	£	47	22	53%
HONG KONG	HK$	676	284	57%
ITALY	ITL	145,600	58,000	60%
JAPAN	¥	26,000	12,150	53%
MALAYSIA	RM	182	101	44%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
SINGAPORE	S$	146	82	43%
SPAIN	PTAS	11,700	5,000	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	166	66	60%
USA	$	78	33	58%

FOR OTHER COUNTRIES, PLEASE CONTACT YOUR NEAREST IHT OFFICE

Yes, I would like to start receiving the International Herald Tribune.
☐ My check is enclosed *(payable to the IHT)*
Charge my: ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
For ex-US and Asian prices, credit cards will be charged in French Francs at current rates
Card No: _____ Exp. Date: _____
Signature: _____
For business orders, indicate your VAT No: _____
(IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name: _____
First Name: _____ Job Title: _____
Mailing Address: _____
City/Code: _____
Country: _____
Home Tel No: _____ Business Tel No: _____
E-Mail Address: _____
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 24-6-97 -6-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
EUROPE, MIDDLE EAST & AFRICA
181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, France
Fax: +33 1 41 43 92 10. Tel. +33 1 41 43 93 61
THE AMERICAS
850 Third Avenue, New York, N.Y. 10022-6275, USA
Fax: +1 212 755 8785. Tel: (toll free) 1-800-882-2884
ASIA
7/F Malaysia Bldg, 50 Gloucester Rd, Wanchai, Hong Kong
Fax: +852 2922 1199. Tel: +852 2922 1171
E-Mail: subs@iht.com *Asia: subshk@hkstk.com*

Printed by Newsfax International, London. Registered as a newspaper at the post office.

هكذا من الأصل

هكذا من الاصل

Supreme Court Upholds A Sexual Predator Law

Kansas Statute Kept Pedophile in Prison For Fear He Would Commit New Crimes

The Associated Press

WASHINGTON — The Supreme Court ruled Monday that states can keep violent sexual predators locked up after they serve their prison sentences even if they are not mentally ill.

Ruling 5 to 4 in the case of an admitted pedophile from Kansas, the justices said such people can be held if they are considered mentally abnormal and are likely to commit new crimes.

Such confinement, intended to protect society, the court said, does not violate the constitutional right to due process and is not double punishment for the same crime.

The court took these other actions:

• Ruling 5 to 4, it overturned its own 1985 church-state decision by ruling that public school teachers can offer remedial help at church-run schools. The decision is expected to save millions of dollars a year in administrative costs for a federal program to help children from low-income families.

• Ruling 5 to 4, it said guards at privately run prisons did not enjoy the same legal protection as those at state-run facilities, a decision that could hamper efforts to privatize government jobs.

• It said railroad workers could not sue their employers for emotional distress over exposure to a cancer-causing substance if it has not made them ill. The court ruled unanimously that a pipefitter exposed to large amounts of asbestos while working for Metro-North Commuter Railroad in New York City could not sue for emotional distress.

• It agreed to use an Oregon case to clarify what evidence of danger must exist before police with search warrants can break into a home without knocking first.

The sexual predator ruling means Kansas can continue to confine Leroy Hendricks, who was convicted five times of child-molesting and has said his death is the only way to guarantee he would not commit new crimes against children.

"The court has recognized that an individual's constitutionally protected interest in avoiding physical restraint may be overridden even in the civil context," Justice Clarence Thomas wrote for the court.

The Kansas law does not amount to a criminal prosecution or punishment, he said.

"The challenged act unambiguously requires a finding of dangerousness either to one's self or to others as a prerequisite to involuntary confinement," he said. "Hendricks's diagnosis as a pedophile, which qualifies as a 'mental abnormality' under the act, thus plainly suffices for due process purposes."

Justice Thomas's opinion was joined by Chief Justice William Rehnquist and Justices Sandra Day O'Connor, Antonin Scalia and Anthony Kennedy.

Dissenting were Justices Stephen Breyer, John Paul Stevens, David Souter and Ruth Bader Ginsburg.

Writing for the dissenters, Justice Breyer said the Kansas law amounted to additional punishment for Mr. Hendricks because the state did not provide treatment for him while he was in prison. The law cannot be applied retroactively, he added.

Justice Breyer also said Kansas could classify Mr. Hendricks as a mentally ill and dangerous person for civil commitment purposes. That section of his opinion was joined only by Justices Stevens and Souter.

The Kansas law said violent sexual offenders who have completed their prison terms could be involuntarily committed if they suffered from a "mental abnormality or personality disorder" and were likely to commit new sex crimes in the future.

Under the law, a judge or jury must decide beyond a reasonable doubt that somebody fits that definition. Anyone committed to a mental health facility under the law is entitled to a new evaluation every year. Five other states have similar laws: Arizona, California, Minnesota, Washington and Wisconsin.

In 1994, Kansas prosecutors invoked the law to stop Mr. Hendricks's release after he had served 10 years in prison.

A psychologist testified for the state that Mr. Hendricks was not mentally ill but that he was a pedophile, which qualified as a "mental abnormality." Mr. Hendricks said the only way he could guarantee he would not molest children again was to die.

Greg Gibson/The Associated Press

ACROSS THE FINISH LINE — Bicycle riders celebrating in Washington after hundreds of them completed a four-day procession from Raleigh, North Carolina, to raise funds for research against AIDS.

NAACP Rethinks Schools Policy

By Steven A. Holmes
New York Times Service

WASHINGTON — Facing continued white resistance to busing to achieve school desegregation, an increasingly conservative judiciary and now criticism from inside and outside its ranks, the National Association for the Advancement of Colored People is rethinking one of its fundamental principles: advocacy of public school integration.

At its national convention next month in Pittsburgh the NAACP is expected to have a formal debate on its school-integration policy for the first time in more than a decade.

The NAACP has always supported school integration as a way to improve educational opportunities for black students, but opponents have begun voicing doubts about that goal. They say the organization should focus more heavily on seeking the improvement of majority-black schools.

Officials of the civil-rights organization have been in a quandary in recent years about members who oppose its traditional support for racially mixed schools, even ousting local chapter directors who expressed different views. Opposition to the NAACP policy has been growing at the same time that segregation in public schools has been on the rise.

Other dissenting voices have added pressure. More black parents are complaining that under school integration plans it is their children who are most likely to be the ones bused out of their neighborhoods.

And some black self-help advocates, like Justice Clarence Thomas of the Supreme Court and Louis Farrakhan, head of the Nation of Islam, have argued that it is demeaning to suggest that black students can achieve a quality education only in largely white schools.

Myrlie Evers-Williams, who heads the NAACP, said she not only expected the delegates to debate the merits of continuing to promote integration in public schools but also expected them to consider modifying the group's position in a resolution. But her personal position is still in support of integrated schools.

"The NAACP has always believed in integration of the public schools," Ms. Evers-Williams said. "But a debate has been raging as to whether that's still the position we should take."

Whether the delegates decide to alter their backing of integration efforts, including busing, or simply vote to study the issue, Ms. Evers-Williams said the NAACP board would also take up the issue either at the convention or at its next board meeting in October.

Even the suggestion of a shift in position could further erode support for a policy that seems to be increasingly falling out of favor among blacks.

Michael Meyers, head of the New York Civil Rights Coalition, a centrist group that still supports integration, interpreted Ms. Evers-Williams' statements as a tacit approval of some change in direction.

"She is now sending a very clear and strong signal that she is ready to let their policy go by the wayside," Mr. Meyers said.

Efforts to reduce school busing are winning some black support.

Earlier this year the Board of Education in Guilford County, North Carolina, which includes Greensboro, voted to redraw its district lines to minimize its large-scale busing program and preserve neighborhood schools.

"Our biggest concern now is whether our schools will be equal," said Amos Quick, a black member of the 60-member citizens committee that will redraw the school boundaries, wrote in The Greensboro News & Record last month. "Separate but truly equal would not be so bad."

With the increased costs of the lawsuits and the NAACP's continued financial woes, the group has virtually stopped involving itself at the national level in school desegregation cases.

Still, the symbolism of an NAACP retreat from its unstinting support of school integration would have significance.

Sullen Tobacco Farmers: Somebody's Blowing Smoke

By Adam Nossiter
New York Times Service

LUCAMA, North Carolina — The tobacco farmer lunged forward, his face red with anger at the latest provocation from Washington.

"Don't get me wrong," said Billy Bass, a gold tobacco leaf swinging from its chain around his neck. "Tobacco is bad. I wouldn't tell it any other way. But as long as it's legal, I'll grow it."

The tobacco farmers here have long felt scorned by outsiders. Each development in the anti-smoking wars is another blow, and in the wake of the wide-ranging settlement announced in Washington last week, the haze of freshly hurt pride was as palpable in eastern North Carolina as the new summer's heat.

The deal left tobacco farmers here in Wilson County, the heart of eastern North Carolina's tobacco country, feeling like agriculture's pariahs. They do not know if the deal will mean fewer cigarette buyers, less money for their crop or even eventual ruin for themselves, but none of a half-dozen farmers interviewed suggested quitting.

"It hurts my feelings, if you want to know the truth," said Donnie Boyette, who farms 113 acres (45 hectares) near here.

The farmers' houses are surrounded by the plants, already robust and dark green. Their ancestors grew tobacco — Mr. Bass said his family had grown tobacco on the same land since 1741. But they are ambivalent about this lucrative crop.

Most of the farmers volunteered that they did not smoke, did not want their children to smoke and did not want any teenagers to smoke.

They also insisted, vehemently, that they are good, hard-working citizens. In America's tobacco wars, they said, they are at least blameless. In their view, the crop is legal, so if there are ill effects from it, they are not responsible.

"Tobacco farmers are good people," said Thad Sharp Jr., who lives nearby up Highway 581 in the hamlet of Sims. "They'd give you the shirt off their back if you had chill bumps."

"We're the people that's the salt of the earth, that's paying the taxes," said Mr. Sharp, whose 200 acres of tobacco provide 70 percent of his net profit, though he grows soybeans, corn and tomatoes on 1,800 additional acres.

He was sitting in an air-conditioned office, saying he was grateful that tobacco had brought him all the way there from a Depression-era boyhood.

"I'm just as good a citizen as I was yesterday," Mr. Sharp said. "I have no problem with my conscience."

The $360 billion deal notwithstanding, the short-term outlook for these farmers is not all gloomy, said an agricultural economist, Blake Brown.

They are producing more tobacco than 10 years ago, and the huge export market is helping to make up for drastic declines in domestic consumption, said Mr. Brown, who works at North Carolina State University.

About 40 percent of flue-cured tobacco, the kind produced here, is exported. Still, Mr. Brown said, the farmers are earning less than in the 1970s, as is North Carolina as a whole. Tobacco was 46 percent of the state's farm income in 1964, but only 15 percent 30 years later.

To the tobacco farmers, who often refer to the crop's historic pedigree, there is something unpatriotic about the tobacco deal.

Why, they ask, should the tobacco companies, and perhaps they, too, have to pay for something so fundamentally American as the exercise of free choice — the decision to buy a pack of cigarettes?

"I think it's legalized extortion, but that's neither here nor there," Mr. Boyette said.

"You've got a U.S. company marketing a legal product to a public that can buy or not buy it. You, as a free American, choose the pack of cigarettes — that was your choice. Now, we've got to pay for your sickness?"

Mr. Bass said: "If I was growing marijuana out here, I could understand this. Tobacco put this country on its feet, used to have a lot of support. Now everybody's sold it out."

POLITICAL NOTES

Clinton Confirms It's Foley for Tokyo

WASHINGTON — President Bill Clinton has confirmed publicly that Thomas Foley, the former House speaker, is his choice to be ambassador to Japan. Mr. Clinton blamed politics for a long delay on announcing the longtime Washington Democrat as his choice.

Mr. Clinton, responding to a question from a Japanese television reporter, apologized for the pace in naming a successor to Walter Mondale, the former vice president who later went as envoy to Tokyo. Mr. Mondale came home in December. "Speaker Foley is one of the most distinguished men in America," Mr. Clinton said.

The president stressed his view that the ambassadorial nomination process could not be defended. "Political pressures have made it like it is and we have to fix it," he said. "And I have to ask you to forgive me for it, but we'll get him there as quickly as we can." The nomination has not gone to the Senate and a recess is approaching, so Mr. Foley may not get a hearing until fall. *(WP)*

Congress Nears Some Key Goals

WASHINGTON — If all goes as intended, the House and Senate this week will pass their separate plans to balance the budget by 2002, overhaul Medicare, cut taxes and restore welfare benefits for some legal immigrants.

The two chambers will stitch together the huge pieces of their versions of the balanced budget agreement that the White House and congressional leaders struck last month. By the time Congress leaves for the July 4 recess, the House speaker, Newt Gingrich, Republican of Georgia, said last week, it will be able to proclaim, "This has been a remarkably successful session."

But the negotiations will start all over again later. House and Senate Republicans remain far apart on critical aspects of their competing thousand-page bills — and are far from winning the president's signature.

Once Congress completes work on the budget and tax plans this week, the focus will shift to a huge conference committee after the August recess. *(WP)*

Quote/Unquote

Dick Armey, the Texas Republican who is House majority leader, rallying behind Mr. Gingrich, after reports of a plot: "The speaker and I are getting along great. He will be enthusiastically re-elected by the Republican Conference." *(AP)*

Jack Pitney, a professor of political science at Claremont McKenna College, commenting on Mr. Gingrich's battle to control and maintain a small Republican majority in the House: "The infighting is a distraction. That gives every rebellious group tremendous leverage." *(NYT)*

Away From Politics

• **Six people were being held in an attack on three** suburban teenagers who jumped off a freight train in a crime-ridden area of Flint, Michigan. All three victims were shot, one fatally. Four men and two teenage boys, aged 16 to 23, were arrested. *(AP)*

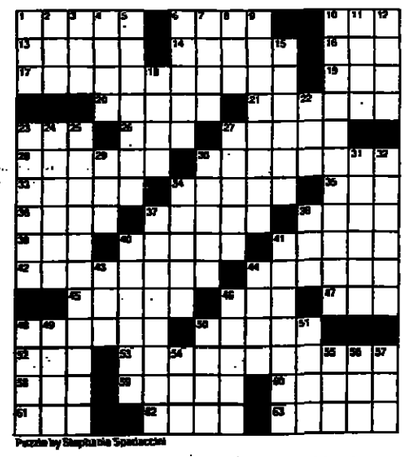
• **Two Marine Corps recruiters were arrested** and charged in the rape of a woman and the beating of a man who had inadvertently pitched their tent in the middle of a Marine Corps bivouac near Portland, Oregon. The recruiters are both sergeants. *(AP)*

• **Two freight trains with four people aboard collided** head-on, causing an explosion and diesel fuel fire near Devine, Texas, southwest of San Antonio. One man was killed and another was missing. *(AP)*

CROSSWORD

ACROSS
1 Stage between egg and pupa
6 "Dum it!"
10 Head of hair, slangily
13 "Silas Marner" author
14 Exploiters
16 Eggs
17 Teensy-weensy piece of beef?
19 Seat in St Paul's
20 —— Rosa, Calif.
21 1984 World Series champs
23 The sun
26 Johnnie Ray hit of the 50's
27 Biblical king
28 Sleazy
30 Sandlot sport
33 Cottonlike fiber
34 Without
35 Actress —— Dawn Chong
36 Got 100 on
37 Dot on a monitor
38 Tiny bit
39 ——-de-France
40 Radius, ulna, etc.
41 U.C.L.A. player
42 Big North Carolina industry
44 "Dirty Rotten Scoundrels" actress —— Headly
45 Kind of bean
46 Old French coin
47 —— as Salaam
48 Tom Canty, in a Mark Twain book
50 Pedestals, e.g.
52 Mornings, for short
53 What stand-up comics do to keep their material shiny?
58 Soupy Sales missile
59 Long bout
60 Vicinities
61 Catalogue contents
62 Some P.T.A. members
63 Long (for)

DOWN
1 Moon craft, for short
2 Actress MacGraw
3 —— Tin Tin
4 "Comment allez-vous——?"
5 Embassy worker
6 Name for a cowpoke
7 Movie pooch
8 Society page word
9 Like a proper rescuee
10 Ride an engine-powered bike?
11 Finished
12 Furry feet
15 Poodle and dimdi, e.g.
18 Professor Higgins
22 Sailor
23 Sea route
24 Delphic shrine
25 "My gold dress isn't back from the cleaners yet" and others?
27 Sharpens
29 Caesar of "Caesar's Hour"
30 At —— and sevens
31 Chicana
32 Horseshoes shot
34 Sal of "Giant"
37 Instant picture
38 Anger
40 They're big in gyms
41 Colorful, crested bird
43 Strike lightly
44 "No kidding!"
46 MS. enclosures
48 Madonna's "—— Don't Preach"
49 In the center of
50 Dallas's nickname
51 Achy.
54 Meadow
55 Mauna ——
56 It may be pulled in charades
57 ID digits



Puzzle by Stephanie Spadaccini

© New York Times/Edited by Will Shorts.

Solution to Puzzle of June 23

C	O	M	A	S		A	K	A		A	T	T	A	R
A	V	A	N	T		R	O	B		S	H	O	V	E
T	E	D	D	Y		C	R	O	S	S	E	Y	E	D
S	N	A	R	L		H	E	A	L	T	H			
		B	E	E		W	A	R	Y		A	J	A	R
S	C	O	W		L	A	N	D			C	O	R	E
T	A	U		J	A	Y	S		A	D	U	L	T	S
E	N	T	R	A	P	S		S	T	E	E	L	I	E
P	A	Y	E	R	S		Z	I	N	C		Y	E	T
I	D	O	S			L	E	G	O		E	R	R	S
N	A	U	T		S	O	P	H			P	R	O	
			A	L	I	G	H	T		R	O	G	E	T
H	A	P	P	Y	D	A	Y	S		A	D	E	L	E
E	X	I	L	E		N	R	A		T	E	R	S	E
P	E	T	E	S		S	S	W		E	S	S	E	N

AGENCE CHAMPS ELYSEES
Furnished apartments, 3 months or more or unfurnished, residential areas.
Tel Paris: +33 (0)1 42 25 32 25
Fax Paris: +33 (0)1 45 63 37 09

Grand Palace Hotel
KEMPINSKI · ISTANBUL
THE PALACE FOR SUCCESSFUL BUSINESS IN ISTANBUL
A member of The Leading Hotels of the World

EARTH SUMMIT + 5
LIVE WEB COVERAGE
GO TO 6.23—27.97
WWW.SUSTAINABLEDEVELOPMENT.NET

DO YOU LIVE IN HELSINKI?
For a hand-delivered subscription on the day of publication, call 00 33 1 4143 9361
THE WORLD'S DAILY NEWSPAPER

CASINO D'ENGHIEN
TOMBOLA
DU 11 AU 25 JUIN 1997
GAGNEZ...
1er prix :
1 Jet-Ski
Valeur : 45 000 F
TIRAGE AU SORT LE 25 juin à minuit
2ème prix :
1 Voyage fabuleux à Los Angeles
3ème prix : 1 Week-end à Deauville
4ème prix : 1 Week-end à Trouville
5ème prix : 1 Week-end à Biarritz
18 Roulettes, 18 Black-Jack, Chemin de Fer, Baccara, Punto Banco et Stud Poker
Restaurant Le Baccara : 01 39 34 13 00
Tous les jours, week-end et jours fériés de 15 h à 4 h du matin (tenue correcte exigée - se munir d'une pièce d'identité)
DCI CONSEIL

ASIA/PACIFIC

Kashmir Talks To Resume as Pakistan-India Deal Is Cleared

By Kenneth J. Cooper
Washington Post Service

ISLAMABAD, Pakistan — For the first time in two decades, India and Pakistan agreed Monday to explore possible solutions to their 50-year dispute over the Himalayan territory of Kashmir, the main source of hostility and cause of two wars between the South Asian neighbors.

The specific commitment to seek a resolution to the Kashmir dispute was contained in a joint statement issued after a weekend of bilateral talks between top diplomats of India and Pakistan here in the Pakistani capital and at a nearby tourist resort.

The arch rivals also agreed to discuss seven other issues, including regional security and economic cooperation. Until the statement Monday, India and Pakistan had not concluded an agreement about how to approach their biggest dispute since they signed a 1972 pact to seek a peaceful settlement.

In September, the diplomats are scheduled to meet again in New Delhi.

India's overriding policy in recent years has been to refuse to discuss Kashmir, while Pakistan has often raised the issue in international forums and tried to enlist a third country as a mediator.

Within two months of colonial Britain's partition of the Indian subcontinent in 1947, India and Pakistan went to war for more than a year over Kashmir, leaving two-thirds under India's control and the rest in Pakistan. A second war in 1965 lasted about a month.

For predominantly Hindu India, Jammu and Kashmir — its only mostly Muslim state — reaffirm the nation's constitutionally mandated secularism. For the Islamic Republic of Pakistan, the incorporation of the rest of Kashmir would confirm a continuing need for a haven from Hindu subjugation for the subcontinent's Muslims.

India has largely put down the rebellion with what Pakistan has estimated to be more than 600,000 members of various security forces, a heavy deployment that Pakistan wants reduced.

For the first time in the talks, the countries' delegates discussed missile technology, an issue Pakistan was prompted to raise by a Washington Post report three weeks ago that India had moved some of its medium-range Prithvi missiles to near the border.

Tanveer Mughal/Reuters

Members of the Jammu and Kashmir Liberation Front outside India's embassy in Islamabad, Pakistan, on Monday. It was the sixth anniversary of the detention of their faction leader, Rouf Kashmiri, by Indian troops.

In Hanoi, Former Foes Still in Discord

Reuters

HANOI — Vietnam War-era policymakers from the United States and Vietnam ended a historic conference here Monday during which they reviewed the long and agonizing conflict.

But substantial differences remained between the interpretations and positions of the two sides.

Speaking at a news conference after the meeting, Robert McNamara, U.S. secretary of defense during the escalation of the war, said the four-day meeting here demonstrated that already in 1961, both Hanoi and Washington had been "seriously mistaken" about each other's motives and intentions.

"These basic misperceptions, in my opinion, prevented each side from moving to terminate the conflict at several different points between 1960 and 1968," he added.

"Had we in the U.S. recognized that, we would have had a very different outcome."

Vietnamese officials responded by saying that, while there had indeed been missed opportunities to end the war sooner, or even to have avoided it altogether, it was Washington that let the opportunities slip away, not Hanoi.

"War was imposed on us," said Tran Quang Co, a senior member of the Vietnamese delegation. "This was not our decision. It did not take place in U.S. territory. Given that fact, who suffered more? It was our people."

The United States never did declare war against Vietnam. Its entanglement began during the late 1950s and early 1960s in a conflict that was to escalate and drag on until April 30, 1975, when the U.S.-backed South Vietnamese government collapsed in Saigon.

By then, 58,000 Americans, 3.6 million Vietnamese and thousands of others from third countries who took part were dead.

Since the war ended, Hanoi's victory has remained a central theme of state propaganda and is considered a mainstay of the Communist government's claim to legitimacy.

Analysts said that could explain Vietnam's difficulty at the meeting, the first such gathering of scholars and decision-makers, in viewing the conflict differently despite the passing of more than two decades.

Mr. McNamara said that, in his opinion, the United States had misjudged the degree to which Hanoi had been willing to sacrifice lives to achieve its goal of an independent and unified Vietnam.

But he replied to the Vietnamese remarks by saying that there had been opportunities for Hanoi as well as Washington to end the conflict sooner.

"I submit to you that the Vietnamese mindset was just as firm and I think firmly wrong," he said.

"For God's sake, apply this lesson to today and tomorrow," he added. "Think about it."

Mr. McNamara, who left the Pentagon before the war ended, added:

"There are misconceptions in the minds of political leaders that stand in the way of moving towards their common interests."

Out With the Old in Vietnam

President and Prime Minister Will Leave Their Posts

The Associated Press

HANOI — Vietnam's ruling troika — the prime minister, president and Communist Party leader — will step down together from the National Assembly to make way for new leadership, a government official said Monday.

Prime Minister Vo Van Kiet, President Le Duc Anh and the Communist Party general secretary, Do Muoi, will not run for re-election when Vietnamese go to the polls in July, said a spokesman for the national assembly, Nguyen Sy Dung.

Typically, the prime minister and president are replaced at the same time in Vietnam, where the Communist Party aims to use the positions to strike a balance between conservative and reformist interests in the government.

In the current leadership, Mr. Kiet, a southern reformer, countered General Anh's Communist orthodoxy.

Mr. Kiet, 74, and General Anh, 76, will both vacate their offices when they give up their legislature seats. Vietnam's president and prime minister must be members of the National Assembly.

Mr. Muoi, 80, will retain his party leadership — an appointed position independent of the National Assembly.

The resignations were based on individual decisions and not by a government or Communist Party push to change the country's leadership, Mr. Dung said.

"The three leaders were asked by the central government and many officials to run again for the National Assembly," the spokesman said. "They all requested to stay out right from the beginning."

It was unclear who might succeed either Mr. Kiet or General Anh.

The two men will not completely withdraw from politics; each will retain a seat in the Politburo. Mr. Muoi is also a member of the Politburo.

Fears Mount That Pol Pot May Not Live To Be Tried

By Seth Mydans
New York Times Service

PHNOM PENH — The Khmer Rouge guerrillas who have reportedly turned against their leader, Pol Pot, may kill him rather than let him testify at a trial where he could implicate them, First Prime Minister Norodom Ranariddh said Monday.

"It appears to me that some Cambodians and maybe some countries are not really willing to see Pol Pot alive and to be brought to justice," he said, in a suggestion that was endorsed by a number of political analysts Monday.

"You see, maybe Pol Pot would say something not very nice to them," he said. "Pol Pot would say, 'Those people were involved,' or, 'Those countries were supporting me for years.'"

He did not name any countries or people, but China was once the patron of the Khmer Rouge government, and various Thai interests continue to have close economic connections to the guerrillas, whose bases are along the Thai border.

Prince Ranariddh's comments followed the news Sunday that the United States and other nations had asked Canada to seek the extradition of Mr. Pol Pot under its law against genocide, pending the creation of an international tribunal that would conduct a trial.

On Saturday, both of Cambodia's coprime ministers, Hun Sen and Prince Ranariddh, signed a request to the United Nations for help in setting up an such a tribunal.

The prince's comments Monday echoed the suspicions of a number of foreign political analysts here, who said that even in captivity, the man responsible for the deaths of more than 1 million Cambodians from 1975 to 1979 remained a threat to the political interests of a variety of people.

A number of leading members of the current government, as well as King Norodom Sihanouk himself, are former members of the Khmer Rouge or have had close ties to them.

A trial of Mr. Pol Pot, with all its emotional power for Cambodia, might have unsettling effects on this already unstable country, where the two prime ministers are locked in an increasingly dangerous political rivalry.

There was a widespread sense among foreign diplomats and political analysts that things are not what they seem in the reports about Mr. Pol Pot.

The entire scenario that has been reported over recent days of Mr. Pol Pot's split with his supporters, his flight into the jungle and his capture could be a drama orchestrated by the Cambodian government, the Khmer Rouge or both, they say.

But if Mr. Pol Pot is now in some form of custody, a number of these analysts say they agree with the prince that the Khmer Rouge leader might not survive to face a tribunal.

"You get a feeling around here that there is still a real fear of this guy," a Western diplomat said. "I'm still skeptical that he is going to show up for trial."

The prospect that Mr. Pol Pot, 69, could soon die is one that has been suggested privately and publicly by government officials, for whom his death would be more convenient than his trial.

BRIEFLY

Key Indian Official Charged by Police

PATNA, India — Federal policemen filed charges against the president of India's governing coalition Monday in a $138 million theft case that could threaten the government.

The Central Bureau of Investigation charged Laloo Prasad Yadav and four other politicians with conspiracy and dereliction of duty in the case, which is known as the "fodder scam." All five have denied any wrongdoing.

Mr. Yadav and 55 others are accused of siphoning off about 4.8 billion rupees from the state government's animal husbandry department in the 1980s and 1990s. The money was intended to buy fodder for cattle on state-run farms.

President of the Janata Dal, one of 13 parties that make up the governing United Front coalition, Mr. Yadav also is chief minister of the northern state of Bihar. *(AP)*

Pakistan Is Sued In CIA Extradition

ISLAMABAD, Pakistan — An opposition leader filed suit against the government Monday, alleging that it violated the civil rights of a Pakistani man who was extradited to the United States on charges of having killed two CIA employees in Virginia.

The leader of the Awami National Party charged that Mir Aimal Kansi's rights were ignored when he was whisked out of Pakistan last week without a hearing.

Mr. Kansi was extradited in a clandestine operation that has outraged many in this Islamic nation.

"The way in which Aimal Kansi was handed over to the U.S. agencies was against the constitution and self-respect of a country and amounted to depriving him of the country's legal protection and basic rights," said Aurangzeb Kansi, a lawyer and politician who is not related to the suspect. *(AP)*

Sri Lankan Victory

COLOMBO — Sri Lankan troops captured a town Monday after resuming their offensive in the northern Wanni region, which is controlled by Tamil rebels, military officials said.

The town is Puliyankulam, 22 kilometers (14 miles) north of the government-held town of Vavuniya. Resistance was not heavy, the officials added. *(Reuters)*

Golkar: It's Official

JAKARTA — Indonesia's governing Golkar party was declared Monday as the official winner of elections in May, gaining an overwhelming majority in Parliament and guaranteeing a seventh term for President Suharto.

Golkar won 325 of the 425 elected seats in Parliament, according to final results that were made public Monday. The military holds 75 other seats.

The opposition Muslim United Development Party took 89 seats, up from 62 in voting in 1992. The Indonesian Democratic Party won 11 seats, down from 56. *(AP)*

BOOKS

FEEDING FRENZY:
Across Europe in Search of the Perfect Meal

By Stuart Stevens. 265 pages. $23. New York: The Atlantic Monthly Press

Reviewed by Frank J. Prial

STUART STEVENS and Rat Kelly share two interests: exercise and eating. Weights and plates, so to speak. They work out regularly in a New York gym, then stoke up in one or another of the city's better restaurants. And that's all they do.

As Stuart says, it's "an appallingly shallow sort of New York '90s-styled friendship."

When Rat, a former model whose real name is Rachel, suggests a tour of Michelin three-star restaurants in Europe, Stuart eagerly agrees. Rat's boyfriend, Carl, a "white-shoe" lawyer with whom she seems to have a somewhat combative relationship, will underwrite the trip — but only if they do the 29 restaurants on their list in 29 days.

"He likes to challenge me," she explains. "Particularly with things he thinks are sort of demeaning."

This is demeaning? Stuart asks.

"On consecutive days," Rat replies, "sure it is. Who could actually enjoy that?"

Who indeed?

And so they are off to England, for two Michelin three-stars, the Waterside Inn in Bray-on-Thames and La Tante Claire in London. Belgium is next: Comme Chez Soi in Brussels; Bruneau, on the edge of the city; and then Romeyer.

On they go to Strasbourg and Au Crocodile; then across the Rhine for the Sport Hotel in Baiersbronn, a German resort. Paris is next, with dates at Taillevent, Lucas Carton, L'Ambroisie and Tour d'Argent.

Chewing steadily, they take in Michel Guerard's spa at Eugenie-les-Bains and Alain Ducasse's Louis XV in Monaco. Carl, the boyfriend, irked at missing the fun (or maybe a bit jealous), joins them in Florence, where they do the Enoteca Pinchiorri.

The next day, they are at the Antica Osteria del Ponte, near Milan. Then, in 12 days of calculated excess, they try to eliminate more of the restaurants on their list, including Pic, Pierre Gagnaire, Paul Bocuse, Georges Blanc, Lameloise, Troisgros, L'Esperance and La Cote d'Or.

And that's pretty much it. There's no plot; no profound insights. A dish or two inspire lilting lines, but for the most part the food commentary is listless. Occasionally one wonders: Did they actually eat in this place? The memorable meals are — no surprise — in the simple places they visit to escape all the tree-star overkill.

Stevens is a political consultant and novelist who has written two previous travel books, "Night Train to Turkistan" and "Malaria Dreams." This time out, his narrative vehicle is just that, a 1965 Ford Mustang, ordered sight unseen and shipped to England to provide exotic transportation. The car is practically a piece of junk, but stale jokes about its daily breakdowns help fill the miles and the time between expensive pigouts.

GAFFES keep popping up. The Alsatians don't favor German wines, as Stevens tells us; they favor Alsatian wines, which are often better than German wines. (But, then, the bottles do look alike.) And Jean-Claude Vrinat didn't start Taillevent; his father did.

One can't help wondering just when this madcap tour took place. Romeyer, in Belgium, has disappeared from the Michelin guide; Pierre Gagnaire went bankrupt a year ago and decamped for Paris. Tour d'Argent lost its third star last year. The Enoteca Pinchiorri and the Antica Osteria del Ponte are also no longer in the top category. Neither, for that matter, is Pic, in Valence.

Admittedly, the Michelin inspectors have been cracking down in recent years; more than a few places, particularly in Italy, have had the Michelin rug pulled from under them after only a year or two of three-star glory. Even so, Stevens should have done a bit more prep work, as they say in the top kitchens.

If this were a dish instead of a book, I'd say it needed a little more time in the oven. Another hour, perhaps, at about 350 degrees.

Frank J. Prial is on the staff of The New York Times.

CHESS

By Robert Byrne

IN the 12th running of the Aegon Human-vs.-Computer Tournament, 50 of the world's best computers competed against 50 human players. The individual winner was the 26-year-old Israeli grandmaster Yona Kosashvili, who achieved a perfect 6-0 score.

Kosashvili played conservatively and wore down machine after machine. But there was one exception: when Chessica boldly tried to win material, Kosashvili lashed out with a damaging gambit.

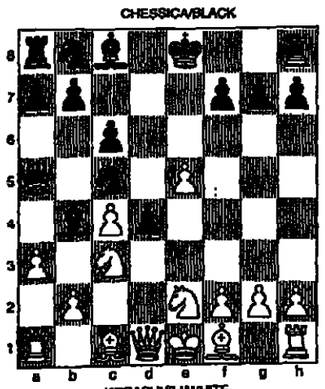
A major point of 3 e4 in the English Opening is that if the game continues with 3...g6 4 g3 Bg7 5 Bg2 O-O 6 Nge2, White will normally be first to operate on the kingside with f4 because his king knight does not restrain his f pawn, as Black's does.

After 4 d4, it is perfectly all right for Black to play 4...d6, but Chessica chooses the more aggressive 4...Bb4 5 de Ne4 6 Qd4 Qa5.

After 7...Nc5, Chessica's threat was 8...Nb3. On 8 Qd1, it could have repeated moves with 8...Ne4. Would Kosashvili have been content with a draw? Anyhow, Chessica at once spurned the chance in favor of the very aggressive 8...d5?

The trouble began after Kosashvili's 9 a3! If then, 9...Bc3 10 Nc3 dc 11 Bc4 Qc7 12 O-O, White would have had an enormous lead in development and a greater command of space. With a computer's prejudice in favor of material, Chessica had probably planned 9...d4? from at least as early as Move 8. But it had not realized that its sneaky human opponent would turn this into a powerful sacrifice of rook for knight and pawn with 10 ab! Qa1 11 Nd4.

CHESSICA/BLACK



KOSASHVILI/WHITE

Position after 9...d4

After 11...Ne6 12 Nb3 Qa6 13 c5!, Chessica was forced to save its queen with 13...b5, which left its queenside a jumble of crowded pieces. And Kosashvili marched in with 14 Qd6!, preventing Black from castling.

Kosashvili's 16 f5! was a pawn sacrifice that could not be accepted because 16...Bf5? 17 Bg5! f6 18 ef Qb7 19 Qd8! Kd8 20 fg wins an ocean of material.

The mating attack with 19 Qg3! could not be warded off by 19...g6 because 20 Qg5 Nd8 21 Ne4 Ne6 22 Qh6 Qa4 23 Ng5 Qb4 24 Bd2 is annihilating. So Chessica tried to postpone its fate with 19...Bg4 20 Qg4.

After 20...g6, Kosashvili saw that 21 Qg5 Nd7 22 Qh6?! Re5 23 Be2 Nf6 would have given Black more than it deserved and chose 21 Bf4 instead. From here on, Kosashvili routinely crunched the machine.

Chessica's 29...Rb6 was almost certainly not a crude blunder but an attempt to push Kosashvili's mating attack beyond its horizon. Its handlers had seen enough and gave up on its behalf.

ENGLISH OPENING

White Kos'vili	Black Chessica	White Kos'vili	Black Chessica
1 c4	e5	16 f5	Nb7
2 Nc3	Nf6	17 Qd3	0-0
3 e4	c6	18 f6	Re8
4 d4	Bb4	19 Qg3	Bg4
5 de	Ne4	20 Qg4	g6
6 Qd4	Qa5	21 Bf4	Nd8
7 Nge2	Nc5	22 Bd3	Ne6
8 Qd1	d5	23 0-0	Nd7
9 a3	d4	24 Bg3	Qb7
10 ab	Qa1	25 Ne4	Red8
11 Nd4	Ne6	26 Nd6	Qe7
12 Nb3	Qa6	27 Rc1	Rab8
13 c5	b5	28 Nd4	Nd4
14 Qd6	Bd7	29 Qd4	Rb6 and Resigns
15 f4	Nd8		

Personals

MAY THE SACRED HEART OF JESUS be adored, glorified, loved and preserved throughout the world, now and forever. Sacred Heart of Jesus, pray for us. Saint Jude, worker of miracles, pray for us. Saint Jude, helper of the hopeless, pray for us. Amen. Say this prayer nine times a day, by the ninth day, your prayer will be answered. It has never been known to fail. Publication must be promised. L.M.

Announcements

Herald Tribune
SUBSCRIBER CUSTOMER SERVICE: For questions or queries about the delivery of your newspaper, the status of your subscription or about ordering a subscription, please call the following numbers: EUROPE, MIDDLE EAST AND AFRICA: TOLL FREE - Austria 0660 8120 Belgium 0800 17538 France 800 437437 Germany 0130 848685 Italy 167 780040 Luxembourg 0800 2703 Netherlands 06 0225158 Sweden 020 797039 Switzerland 155 5757 UK 0800 895965 Elsewhere (+33) 1 41439361 THE AMERICAS: USA (toll-free) 1-800-6822884 Elsewhere (+1) 212 7523890 ASIA: Hong Kong 2922 1171 Indonesia 809 1328 Japan (toll-free) 0120 464 027 Korea 3672 0044 Malaysia 221 7055 Philippines 895 4946 Singapore 325 0834 Taiwan 7753456 Thailand 277 4485 Elsewhere (+852) 29221171

FEELING low? - having problems? SOS HELP crisis-line in English. 3 p.m. - 11p.m Tel: Paris (01) 47 23 80 80

Legal Services

IMMIGRATION USA Visas ou Residence. Etude légale multilingue pour multinationaux, investisseurs et entrepreneurs. Contactez: Larry J. Beher. P.A. Tel: 954-524-8886; Fax: 954-524-0088

DIVORCE IN 1 DAY. No travel. Write: Box 377, Sudbury, MA 01776 USA. Tel: 508/443-8387. Fax: 508/443-0183.

Business Opportunities

OFFSHORE COMPANIES. For free brochure or advice Tel: London 44 181 741 1224 Fax: 44 181 748 6558/6338 www.appleton.co.uk

OFFSHORE BANKS
COMPANIES & TRUSTS
IMMIGRATION/PASSPORTS
Banking-Accounting-Secretarial
Visa Registration-Invoicing
Mail-Phone-Fax Services Worldwide
Aston Corporate Trustees
19 Peel Road, Douglas, Isle of Man
Tel: +44 (0) 1624 625991
Fax: +44 (0) 1624 625128
London
Tel: +44 (0) 171 233 1302
Fax: +44 (0) 171 233 1519
E Mail: aston@enterprise.net

Telecommunications

Telephone Conferencing
Multi-national Conferencing at US Rates
*AT & T Quality
* No Minimums
A Service of kallback
Where Standards are Set, not Met
Tel: 1.206.599.1991
Fax: 1.206.599.1961
Email: info@kallback.com
www.kallback.com

Business Services

YOUR OFFICE IN LONDON Bond Street - Mail, Phone, Fax, Telex Tel: 44 171 290 9000 Fax 171 499 7517

Business Travel

1st/Business Class Frequent Travellers Worldwide. Up to 50% off. No coupons, no restrictions. Imperial Canada Tel: 1-514-341-7227 Fax: 1-514-341-7998. e-mail - address: imperial@login.net http://www.login.net/imperial

Capital Available

COMMERCIAL/BUSINESS FINANCE available for any viable projects worldwide. Fax brief synopsis in English to Corporate Advances, (+)44-1273-821300.

Financial Services

FUNDING PROBLEMS?
for SOLUTIONS Contact
BANCOR OF ASIA
Bankable guarantees to secure funding for viable projects:
VENTURE CAPITAL
EQUITY LOANS
REAL ESTATE
Long term collateral Supported Guarantees
Fax: (632) 810-9284 Tel: (632) 894-5358
(Commission earned only upon Funding) Brokers Commission Assured

Real Estate for Rent

Paris Area Furnished

PLACE FRANCOIS 1ER, NEAR Charming building - Beautiful studio, 45 sq.m. - FF10,000. BERRI - CHAMPS ELYSEES Duplex on garden, 130 sq.m., 2 bedrooms - Perfect condition FF25,000. COREPI Tel: +33 (0)1 45 89 92 52. Fax +33 (0)1 45 65 44 13

AGENCE CHAMPS ELYSEES
Specialists:
Furnished apartments, 9 months or more or unfurnished, residential areas
Tel: +33 (0)1 42 25 32 25
Fax: +33 (0)1 45 63 37 09

Embassy Service
YOUR REAL ESTATE AGENT IN PARIS
Tel: +33 (0)1 47.20.30.05

AT HOME IN PARIS
PARIS PROMO
Apartments to rent furnished or not. Sales & Property Management Services. 25 Av Hoche 75008 Paris Fx:01-4561 4020
Tel: +33 (0)1 45 63 25 60

7th. LES INVALIDES. Charming 2 bedrooms, new kitchen, garden view/terrace. Tel: 42 50 59 80 or US 310-550-8775.

Paris Area Unfurnished

PARIS 16th - RUE DE LONGCHAMP. 5 rooms, on 4th floor, elevator, about 100 sq.m., high class building. FF17,600 Tel: +33 (0)1 46 22 24 01.

Switzerland

GENEVA, LUXURY FURNISHED apartments. From studios to 4 bedrooms. Tel: +41 22 735 6320 Fax +41 22 736 2677

Employment

Domestic Positions Wanted

COUPLE: Chauffeur, butler, cook, housekeeper, Portuguese, French, Spanish, some English. Tel: 281-680-8921 USA

هكذا من الأصل

Finally, an executive a... anything you're lookin...

Russian Duma Votes To Curb Some Religions

Lawmakers Exempt 'Traditional' Faiths

By David Hoffman
Washington Post Service

MOSCOW — Russia's lower house of Parliament, the State Duma, gave final approval Monday to legislation that would sharply restrict the activities of foreign missionaries and many religious faiths except for the "traditional" religions of Russian Orthodoxy, Judaism, Islam and Buddhism.

The legislation is being closely watched by human rights advocates as a barometer of Russia's commitment to freedom of conscience. Critics say the law would be a giant step backward, toward state control of religion, and are urging President Boris Yeltsin to veto the measure.

"The new legislation is oriented toward the revival of Soviet religious policy," said Gleb Yakunin, a defrocked Russian Orthodox priest and liberal member of Parliament. "Only today, instead of the Communist one, it proposes to establish a dominant clerical ideology, and to discriminate against believers in other religions."

The legislation has its origins in fears by some leaders of the Russian Orthodox Church that its growth and revival is threatened by an onslaught of foreign missionaries.

Persecuted and pressured during the Soviet era, the Russian Orthodox Church is struggling to reassert itself, and feels vulnerable to competition from proselytizing and religious sects, many of which have been active in Russia since the Soviet collapse, according to specialists here.

The church has especially bridled at foreign missionaries who have come to Russia bearing humanitarian aid. Tensions have also flared in the provinces between missionaries and local authorities.

According to Lawrence Uzzell, Moscow representative of the Keston Institute, which studies religious life in Russia and Eastern Europe, about one-fourth of Russian provinces have adopted laws restricting the rights of minority religions.

Mr. Uzzell said a Roman Catholic priest in Belgorod was recently told he could not celebrate mass there because his parish is a foreign religious organization.

The new legislation was overwhelmingly approved, 300 to 8, and now goes to the upper chamber, the Federation Council, where it is also expected to be approved, Mr. Uzzell said.

President Yeltsin has come out against similar proposals in the past, Mr. Uzzell recalled, but his decision this time is "up for grabs."

Mr. Yeltsin has not spoken out publicly about the measure.

The 1993 Russian Constitution guarantees that religions "shall be equal before the law."

But according to critics, the new legislation would effectively create two classes of unequal religions.

One would be the major traditional religions — Russian Orthodoxy, Judaism, Islam and Buddhism. But a second-class status would be created, "religious groups," which would be allowed to meet privately if they registered with the local authorities.

But to qualify, a religious group would have to have been operating in Russia for 15 years, excluding all but those that were in existence when Leonid Brezhnev, the Soviet leader, died, a time when the state was officially atheist and religious activists and dissidents were persecuted and imprisoned.

Many of the nontraditional religions that have come to Russia since the Soviet collapse, including Roman Catholics, Protestants, Baptists, Mormons, Jehovah's Witnesses, Pentecostalists, Seventh Day Adventists and others, would not meet the new criteria as religious groups, and may have to wait years to be officially registered, critics said.

"As a religious group, you can gather at someone's house, and hold meetings, but it doesn't go much beyond that," said Diederick Lohman, director of Human Rights Watch/Helsinki. "You can't have your own church, you can't own property, you can't establish your own religious educational institutions." Mr. Uzzell said under the legislation, these groups would not be allowed to carry out charitable activities.

"If this bill becomes law it will enshrine two new principles," he said. "First, the Pontius Pilate rule that new religions are second class because they are new. Second, the Leonid Brezhnev rule, that any religious body that didn't get along with Brezhnev is considered new."

The Russian Constitution, hastily written after the 1993 violent confrontation between Mr. Yeltsin and Parliament, has been battered with challenges.

For example, the constitution says that all of Russia's regions are equal but, in fact, the Kremlin has made separate deals giving many regions unequal status.

Atik Kepic/The Associated Press

TRYING TO SAY NO TO VIOLENCE — Young students in Warsaw marching in silence among a throng of 4,000 on Monday to protest the murder of a student. Their banner pleaded: Stop Cruelty.

Italian Mob Expert to Oversee UN Crime Programs

By Celestine Bohlen
New York Times Service

ROME — One of Italy's top experts on the Mafia has been named the United Nations' leading official on international crime.

Pino Arlacchi, who is also a member of the Italian Senate, will become under secretary-general and director of the organization's Vienna offices, where the UN drug program and others are based.

"The appointment of Senator Arlacchi is an integral part of the secretary-general's effort to strengthen the capacity of the United Nations to address in a coherent and systematic way threats to the stability of society arising from transnational crime in all its manifestations — from drug trafficking and money laundering to international terrorism," said Fred Eckhard, the spokesman for Secretary-General Kofi Annan.

A sociologist and the author of several books on Italy's powerful criminal organizations, Mr. Arlacchi, 46, has been closely involved with Italian law enforcement in its war against organized crime, which has achieved remarkable success in recent years, particularly against the Sicilian Mafia.

In an interview in his office at the Italian Senate, where he has represented Florence since 1995 as a member of Democratic Party of the Left after serving one term in the lower house, Mr. Arlacchi said his duties would include investigating financial empires suspected of thriving on illegal profits.

"We don't have an international body to follow what is widely recognized as a weak point in the international system," he said. "There is no international office that deals, systematically or globally, with these subjects. We need to elaborate a system to deal with the big problem of tax havens, for instance."

A striking example of the dangers of shady enterprises that go unregulated and unchecked is Albania, which descended into near anarchy this spring after the collapse of pyramid investment schemes.

Mr. Arlacchi noted that the United Nations, with a 1988 agreement signed by more than 120 nations, already has one instrument available to pursue global investigations of drug money. That convention requires signers to abolish bank secrecy laws that can help hide drug trafficking profits, and to contribute a percentage of assets seized from drug-trading organizations to the UN office of Drug Control Prevention, which Mr. Arlacchi will now head.

ARTS & ANTIQUES
Appears every Saturday.
To advertise contact
Kimberly Guerrand-Betrancourt
Tel.: + 33 (0) 1 41 43 94 76
Fax: + 33 (0) 1 41 43 93 70
or your nearest IHT office
or representative.

BRIEFLY

Albanians Promise A Free Election

ROME — Albania's main political parties pledged Monday to ensure free and fair elections in six days, but one key leader said he still feared fraud at the polls.

The agreement signed here pledged that the parties would work for stable and democratic government, recognized the need for a coalition government after the vote Sunday and said the opposition would be entitled to hold key positions in Parliament.

Fatos Nano, leader of the main opposition Socialist Party, said that "as a gentleman and a very serious politician" he would respect the results if his party did not win.

But he quickly added in response to a question: "I also confirm there is no possibility that my party will lose the election."

The agreement was also signed by Tritan Shehu, chairman of President Sali Berisha's Democratic Party, and Skender Gjinushi of the Social Democrats. *(Reuters)*

France to Uphold Homosexual Rights

PARIS — The government will deliver on a campaign promise to give homosexual couples the same legal rights as heterosexual couples, Justice Minister Elisabeth Guigou said Monday.

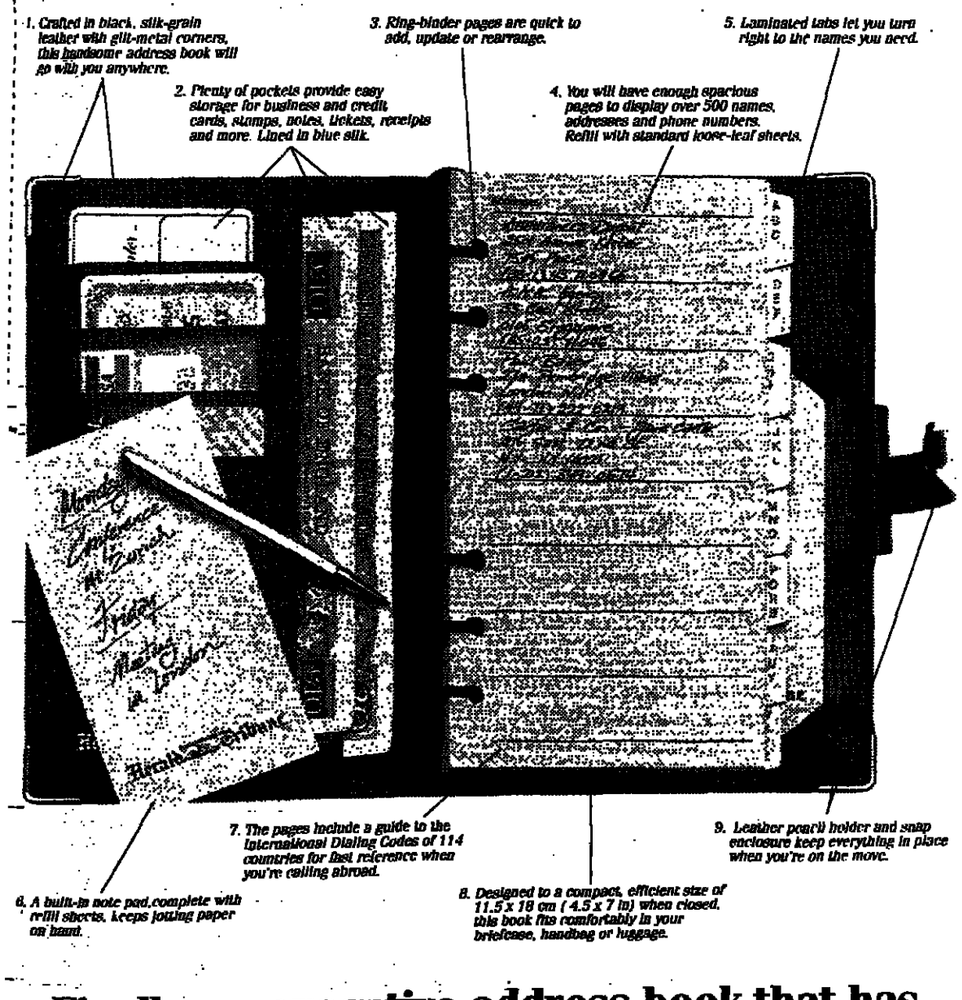
"This is a promise we have made, and we will keep it," Miss Guigou said in an interview with Le Monde. "Homosexuals raised the question, but they are not the only ones concerned. One cannot describe the union between two people solely in terms of marriage." *(Reuters)*

EU Girds for Battle Over Subsidies

LUXEMBOURG — EU agriculture ministers began three days of negotiations Monday over plans to slash subsidies to the bloc's 8 million farmers.

The EU agriculture commissioner, Franz Fischler, is pushing for cuts of 1.4 billion ecus ($1.6 billion) in aid to cereal and oil seed farmers, saying the reductions are needed to pay for the "mad cow" crisis.

But Mr. Fischler faces an uphill battle. Of the 15 member nations, only Britain and Sweden are said to support subsidy cuts. *(AP)*



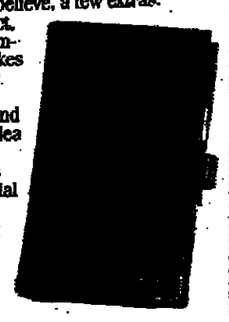
Finally, an executive address book that has everything you're looking for, plus a little more.

No doubt, most professional address books have too many of some features and not enough of others.

But we don't think you'll feel that way about the new executive address book from the International Herald Tribune. It's a beauty. And perfectly balanced (as we have boasted out above) with all the features you need – and, we believe, a few extras.

It is compact, portable and complete, which makes it well suited for your travel and every day use. And it's a great gift idea as well.

Order yours today. As a special bonus, we'll imprint your initials in gold on the cover.

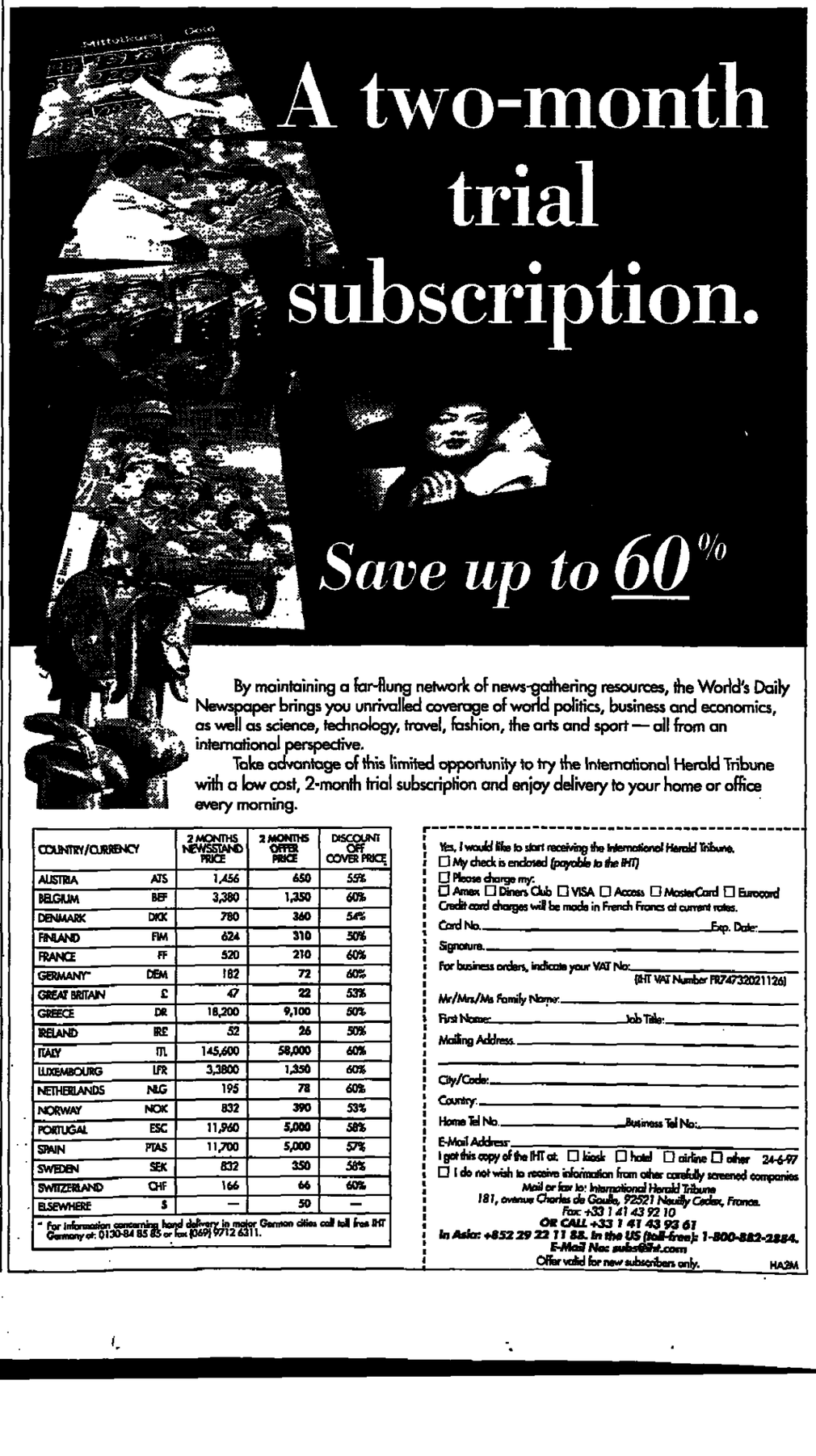


Please send me_____ Executive Address Books at UK£39 (US$64) each including postage in Europe. Additional postage outside Europe: UK£4.50 (US$7) per copy.

NAME_____
ADDRESS_____
CITY/CODE_____
COUNTRY_____
TEL._____ FAX_____
Please charge to my credit card: INITIALS (max. 3 initials) ☐☐☐
☐ Access ☐ Amex ☐ Diners ☐ Eurocard ☐ MasterCard ☐ Visa
CARD NUMBER_____
Expiry date_____ Signature_____
24-6-97

PLEASE RETURN YOUR ORDER TO:
International Herald Tribune Offers
37 Lambton Road,
London SW20 0LW, England.
For faster service,
fax order to: (44-181) 944 8243.
Or E-mail: paulbaker@btinternet.com

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER



A two-month trial subscription.

Save up to 60%

By maintaining a far-flung network of news-gathering resources, the World's Daily Newspaper brings you unrivalled coverage of world politics, business and economics, as well as science, technology, travel, fashion, the arts and sport — all from an international perspective.

Take advantage of this limited opportunity to try the International Herald Tribune with a low cost, 2-month trial subscription and enjoy delivery to your home or office every morning.

COUNTRY/CURRENCY		2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,456	650	55%
BELGIUM	BEF	3,380	1,350	60%
DENMARK	DKK	780	360	54%
FINLAND	FIM	624	310	50%
FRANCE	FF	520	210	60%
GERMANY*	DEM	182	72	60%
GREAT BRITAIN	£	47	22	53%
GREECE	DR	18,200	9,100	50%
IRELAND	IRE	52	26	50%
ITALY	ITL	145,600	58,000	60%
LUXEMBOURG	LFR	3,3800	1,350	60%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
PORTUGAL	ESC	11,960	5,000	58%
SPAIN	PTAS	11,700	5,000	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	166	66	60%
ELSEWHERE	$	—	50	—

* For information concerning hand delivery in major German cities call toll free IHT Germany at: 0130-84 85 85 or fax (069) 9712 6311.

Yes, I would like to start receiving the International Herald Tribune.
☐ My check is enclosed (payable to the IHT)
☐ Please charge my:
☐ Amex ☐ Diners Club ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
Credit card charges will be made in French Francs at current rates.
Card No._____ Exp. Date:_____
Signature_____
For business orders, indicate your VAT No:_____
(IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name:_____
First Name:_____ Job Title:_____
Mailing Address_____
City/Code:_____
Country:_____
Home Tel No._____ Business Tel No:_____
E-Mail Address:_____
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 24-6-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
181, avenue Charles de Gaulle, 92521 Neuilly Cedex, France.
Fax: +33 1 41 43 92 10
OR CALL +33 1 41 43 93 61
In Asia: +852 29 22 11 88. In the US (toll-free): 1-800-882-2884.
E-Mail Nec subs@iht.com
Offer valid for new subscribers only. HA2M

INTERNATIONAL

Europeans Challenge U.S. at UN Environmental Summit

Compiled by Our Staff From Dispatches

UNITED NATIONS, New York — European leaders opened a UN Earth Summit here Monday with a challenge to a reluctant Washington to accept firm targets for reducing carbon dioxide to combat global warming.

"We in Europe have put our cards on the table," Prime Minister Tony Blair of Britain said. "It is time for the special pleading to stop and for others to follow suit."

Mr. Blair, seconded by Chancellor Helmut Kohl of Germany and other European government chiefs, urged summit participants to endorse the European Union's proposal to cut carbon dioxide and other "greenhouse gases" by 15 percent below 1990 levels, with a deadline of 2010.

Governments are negotiating a new treaty to impose legally binding cutbacks in greenhouse gases. But so far, the Clinton administration, under pressure from U.S. industry and a skeptical Congress, has balked at committing to any specific timetable of targets.

The world, Mr. Kohl said, has an "opportunity to take a major step forward" at the New York conference, where leaders and envoys from 170 nations have gathered to review progress on the environment and Third World development since the 1992 Earth Summit in Rio de Janeiro.

"We are all in this together," Mr. Blair said. "No country can opt out of global warming or fence in its own private climate."

The Europeans pressed their case despite having failed this weekend, at the Denver summit of industrial nations, to win U.S. agreement on specific reduction targets for greenhouse gases.

Earlier, Vice President Al Gore, welcoming delegates to the New York summit, declared that "we must act" to limit emissions of gases that trap the Earth's heat. But he offered no specifics.

President Bill Clinton will speak on Thursday.

Many delegates hoped the United States, the world's No. 1 polluter, would take the lead in setting environmental goals here. But it was Mr. Kohl who promised an action plan for "Earth Summit Plus 5."

The German chancellor was joining with Brazil, South Africa and Singapore to draft a plan for adoption by the UN session "to achieve concrete progress on key issues." The centerpiece was understood to be a proposal for a new World Environment Organization.

"By making this personal commitment, we seek to lend the worldwide protection of the natural sources of life and the idea of sustainable development additional impetus and thus also to help make this special session of the General Assembly a success," Mr. Kohl said.

Mr. Kohl was due to give more details of the four-nation partnership at a news conference later with President Fernando Henrique Cardoso of Brazil, Deputy President Thabo Mbeki of South Africa and Prime Minister Goh Chok Tong of Singapore. Brazilian officials said the initiative would focus on measures aimed at protecting the climate and forests as well as problems of urban development.

Looking back over the five years since Rio, the conference chairman, Razali Ismail, said bluntly that progress has been paltry. "We face a major recession — not economic, but a recession of spirit," the Malaysian diplomat said. "We continue to consume resources, pollute, spread and entrench poverty as though we are the last generation on Earth."

In 1992, governments endorsed the goal of "sustainable development" — developing the global economy to benefit all while protecting the environment.

But the steps that summit agreed upon were mostly voluntary, in reducing such greenhouse gases as carbon dioxide, for example, to combat global warming, and in better preserving forests.

The record since then is spurring calls for tougher, mandatory actions. Carbon emissions have actually increased — in the United States by more than 13 percent. Fresh water is increasingly scarce. Forests are being lost at a rate of 55,000 square miles (142,450 square kilometers) per year. On the development side, the number of people living on less than $1 a day has edged above 1.1 billion.

In closed-door, presummit talks, diplomats debated what conclusion to reach in the political statement that will end the summit: Is the environmental outlook "worse" than five years ago, or "not much better"?

Such duels over language were the easy part. The harder negotiations were expected to drag on through the week over global warming and other more concrete issues.

Governments agreed two years ago to produce by late 1997 a new treaty on global warming requiring industrial nations to cut back greenhouse gas emissions.

A U.S. Senate majority says it will block any treaty that does not also mandate reductions by China and other developing countries. *(AP, Reuters)*

Dutch Power Loss Strands Hundreds

Reuters

AMSTERDAM — Many hundreds of train passengers were stranded and people were trapped in elevators for several hours Monday when an electricity failure disrupted life and work in the central region of the Netherlands.

The police said about a million people in the province of Utrecht and nearby areas were affected in the mid-morning loss of power.

The cause of the interruption was not known.

A spokeswoman for the regional power authority, REMU, said the problem started at power stations in a neighboring province.

"Some measures were taken to prevent the whole country going down," she added.

By early afternoon, electricity supplies had been restored to parts of Utrecht but full train service had not yet been resumed.

Clinton's Class In Economics Annoys Some

Reuters

PARIS — Inspiring to some, humiliating or infuriating to others, President Bill Clinton's lessons in economics and job creation at a weekend Group of Seven summit meeting in Denver drew mixed reviews in Europe on Monday.

There was no dispute that the main message was that Europe's three biggest economies — Germany, France and Italy — need to deregulate and be more flexible to overcome mass unemployment and stay competitive.

But while German and Italian commentators sounded willing to accept the advice, the French were predictably irritated by what many Paris editorialists saw as Wild West arrogance.

The refusal of President Jacques Chirac of France and Chancellor Helmut Kohl of Germany to don cowboy boots and Stetson hats given to them as gifts by Mr. Clinton seemed to symbolize European reluctance to adopt the American model wholesale.

France's conservative Le Figaro said the incident summed up the summit. "Faced with an America which loves to show off, faced with a sole superpower in the midst of an economic boom, which projects itself today as a universal model, the Europeans preferred to stand on their dignity," it said.

Le Figaro bridled not only at Mr. Clinton's economics lesson but also at his attempt to dictate unilaterally which Eastern European countries may join the 16-nation NATO alliance.

France's LCI television station said in its main bulletin, "Denver, showcase of a triumphant America. At the summit, backed by the power of the American economy, Bill Clinton imposed his vision of the world — from unemployment to Africa including NATO."

And the leftist daily Liberation asked in an editorial: "Is there only a single valid model of capitalism on the entire face of the earth?" Liberation expressed admiration for the U.S. economy but said the Americans, "claiming that they are the new Rome of the democratic world, they get on the nerves of their friends."

But elsewhere, there was more sympathy for the master class in free-market economics administered by a U.S. president regarded as left-of-center in his own country.

Economics Minister Guenter Rexrodt said Germany could learn a lot from America's "job miracle." Germans could increase employment if companies were able to offer workers more flexible work contracts, he told Inforadio in Berlin.

The liberal Sueddeutsche Zeitung and the conservative Die Welt both commented that Germany, France and Italy had been warned unequivocally to shake up their heavily regulated economies to enable job creation.

Italy's daily La Stampa said the G-7 summit showed there was no practical alternative to the growing globalization of the world economy.

"Although there were a few grumbles, Europe had to recognize the truth of the American formula to create jobs and economic development without inflation," the newspaper said.

Leonhard Foeger/Reuters

RECONCILIATION CONFERENCE — Cardinal Miroslav Vik of the Czech Republic, left, with Patriarch Alexei II of the Russian Orthodox Church on Monday as the Second European Ecumencial Assembly opened in Graz, Austria. Cardinal Vik is chairman of the conference, whose theme is reconciliation.

FRANCE: *4 Suicides Follow a Roundup of Pedophilia Suspects*

Continued from Page 1

reports said, after a search of his home turned up pictures of children, including some he had photographed at a local nudist beach — art photographs, but no pornography, according to his lawyer.

Despite the public disgrace, the authorities said Mr. Pic had given no indication of being at risk of committing suicide.

The Gendarmerie Nationale, a police force under the command of the Defense Ministry, swooped down last week on a nationwide list identified by prosecutors of alleged customers of a pornographic publisher called Platypus, a company that duplicated and sold pornographic videotapes involving children.

Its chief, named by police as Bernard Alapetite, was arrested two years ago but conditionally freed in January. After the arrests turned up videocassettes showing sexual abuse and rape of both male and female minor children, Mr. Alapetite was rearrested.

Although judicial investigations are supposed to be secret in France until actual charges are brought, French media quickly found out the identities of others picked up in the probe, including a 40-year-old postal inspector in Grenoble, who hanged himself after being questioned, but not charged. "I can't stand the way people are looking at me," he told relatives, according to local newspapers.

A 48-year-old white-collar worker in a Giat Industries defense factory in Tulle did the same thing after being arraigned, as did a 37-year-old handicapped man in the Rhone Valley region who had been briefly detained after police found his name on the Platypus company's mailing list.

"Among the people picked up, some were accused of rape, others of sexual infractions or being in possession of cassettes, and still others were not charged with anything," Mr. Leclerc told the daily Liberation. "They were arrested in the sweep and let go, but they are ruined. You have to be strong to survive this. Their image is destroyed forever."

France-Soir, a mass circulation daily, put Mr. Leclerc's picture on its front page Monday under a black headline, "Are Pedophiles Above the Law?" "Strange polemic," the newspaper observed.

Jean-Louis Coste, a senior prosecutor at the center of the operation, dubbed "Ado 71" by the authorities, said, "We're not talking about cassettes of Snow White and the Seven Dwarfs. There are 12-year-old girls being raped by potbellied old men of 70, 14-year-old boys violated and drugged before being mistreated by a wholes series of adults, images of children, both boys and girls, with mutilated genitalia."

Mrs. Guigou, the justice minister, said that pedophilia was an abominable crime that had claimed more than 5,000 victims in France, and said that those found guilty of exploiting children criminally would be punished to the full extent of French law. But, she said, she did not believe that all the publicity did much to advance the investigation.

CLINTON: *Setback From Supreme Court*

Continued from Page 1

harassment suit against Mr. Clinton.

The Clintons have not been charged with any wrongdoing in the Whitewater affair. But the court's decision Monday holds the potential for embarrassment.

"I suspect whether or not Mrs. Clinton had something incriminating to tell, she didn't tell it to White House counsel," said Paul Rothstein, a Georgetown University law professor. Mrs. Clinton, herself a lawyer, is "smart enough to know there was some risk in it," he said.

But, Mr. Rothstein added, "When hostile eyes comb every statement you make, sometimes they can come up with stuff that looks bad politically."

White House lawyers will have to provide two sets of notes to the jury.

One set, from July 1995, details a meeting involving Mrs. Clinton, her personal lawyer and two White House lawyers about Mrs. Clinton's activities after the suicide in 1993 of Vincent Foster, the White House deputy counsel. Some Clinton foes have asserted that papers incriminating to the Clintons were removed from Mr. Foster's office.

A second set of notes dealt with Mrs. Clinton's testimony, on Jan. 26, 1996, before a federal grand jury in Washington regarding the mysterious disappearance and reappearance of billing records from the Little Rock law firm where Mrs. Clinton, and Mr. Foster, worked at the time Clintons were investing in the Whitewater real estate venture.

Mrs. Clinton's lawyers had held that since her personal lawyer was present, the conversations were privileged. The 8th Circuit Court rejected that argument and ordered the notes turned over to the grand jury.

Susan Fain, a constitutional law specialist at American University, said she was not surprised at the high court's stance. "This court is fairly reluctant to handle the political hot potatoes," she said. But, other lawyers said, it was highly unusual for the Supreme Court to reject a White House request.

LIBERIA: *Hurtling Toward Elections*

Continued from Page 1

ginning Tuesday, election officials are to register the entire country in a 10-day period — even though many Liberians lost all identity documents in the war.

Some Liberian intellectuals and foreign aid workers voice hope that even an imperfect election might yield a government with enough credibility to demilitarize Liberian politics. "Hopefully, this could create the conditions for a real election" in a year or two, said a Liberian working for a Western agency.

But many warn that the election risks reigniting the war. For several months, a truce has held partly because of the expanded presence of the peacekeeping troops — but also because it has postponed the question over which this country's warlords have fought: Who will rule Liberia?

The election, by answering that question, could give a losing faction cause to start fighting again.

"I don't think we'll be out of trouble by having had elections," said Bill Frank Enoanyi, a prominent Liberian political analyst.

International peacemaking here has been run on the cheap and from a political back burner. The United States, which has older, closer ties with Liberia than with any other African state, refused to send troops.

Instead, it pays for the West African peacekeeping force. Nigeria, whose troops form the bulk of the force, declined to send its best commanders to head it until the Liberian militias humiliated the peacekeeping force last year by seizing and looting Monrovia for six weeks. The current commander has only 10,000 of the 16,000 troops he has said are necessary to pacify Liberia.

Still, peacemaking has advanced. Since last fall, the West African troops have spread across much of the country and disarmed tens of thousands of militiamen. But everyone concedes that the militias keep weapons hidden, and peacekeepers periodically uncover arms caches.

Mr. Enoanyi and others say this is not enough progress to foster stable politics. There have been various offers of education and training to woo the disarmed militiamen away from what effectively have been lives of armed robbery. But "we really needed a longer period of reconciliation and rehabilitation," Mr. Enoanyi said. "Then we might have been able to hold elections in a reasonably sane society."

The election's main political issue is whether Charles Taylor will rule the country.

For years, Mr. Taylor has run his own administration in much of Liberia, including mining and timbering operations that have financed a political machine that dwarfs Liberia's official government.

To mobilize his election campaign, Mr. Taylor has two helicopters and 52 motorboats, Mr. Enoanyi said, "and a shipping, container full of motorcycles."

For campaigning in towns, "he bought a fleet of loudspeaker trucks" from the runner-up in last December's presidential election in Ghana, Mr. Enoanyi said. This in a country whose police officers do not have cars.

And it is Mr. Taylor who controls the formerly state-owned national radio network. Radio is by far Liberians' most important source of information, yet no other radio station reaches outside Monrovia. Foreign aid agencies are working to set up more powerful stations in the capital that might, in the last weeks before the vote, offer information independent of Mr. Taylor's.

Liberia's civilian political leaders have failed in efforts to choose a single candidate to oppose Mr. Taylor. But in the past two months, Ellen Johnson Sirleaf, a longtime UN official, has emerged as his leading rival. Mrs. Johnson Sirleaf, who until recently headed the African section of the UN Development Program, won a Senate seat in the last election, in 1985, and has kept her political base here alive, many Liberians say.

"She is a credible candidate" with money and international connections, conceded an opponent, Cletus Wotorson.

Many here suggest that neither Mrs. Johnson Sirleaf nor Mr. Taylor is likely to win a majority July 19 and thus will face each other in a runoff.

JAPAN: *Firms Balk at Payoffs to Mobsters*

Continued from Page 1

Hideaki Kubori, a lawyer who specializes in helping companies fight the extortionists.

The starkest illustration of that terrorism will occur Friday, when more than 2,300 companies will hold their shareholders' gatherings on the same day in an effort to minimize the number of meetings sokaiya can attend. Most of the companies have requested police protection, and about 10,000 officers will be mobilized to guard the meetings.

Sokaiya payments were outlawed in 1982 — both company and sokaiya can be prosecuted — and in recent years real enforcement has begun. Prosecutors are going after big Japanese companies for doing business with the underworld.

To date, the police have arrested 10 executives of Dai-Ichi Kangyo Bank Ltd. for alleged involvement in sokaiya payoffs. On May 30, the authorities arrested Hideo Sakamaki, former president of the huge Nomura Securities Co., accusing him of similar payments.

Those accused of being extortionists deny they break the law. One large group of these people depicts itself as a shareholders' rights movement in a country where shareholders are notoriously disenfranchised and compliant.

"I'm trying to fight to make meetings and companies more open, to force them to disclose more," said Satoshi Yamamoto, who speaks for a group known as Rondan Doyukai.

Wearing a suit and designer tie, Mr. Yamamoto was indistinguishable from an ordinary executive recently as he talked about his trade to a reporter.

He denied his group has ties to the organized criminals known as *yakuza*, although he said some sokaiya do. In the past, his group has provided security for shareholders' meetings, he said.

"Right now companies don't pay you as much as you think they would," he said.

He said his group had a delivery service, restaurant and newsletters. He denied that corporations were pressured to use them. But one newsletter contained an example of how his group responds to opponents: photos of a well-known sokaiya critic, who is married, in a compromising situation with a woman who is not his wife.

Some companies, such as Mitsui High-Tec, succeed in fighting the sokaiya to a draw, but it is not easy. "You need to be guarded and prepared," Mr. Mitsui said. He sought police help, hired Mr. Kubori, the lawyer, and employed guards to maintain order at shareholders' meetings. He put nets over the directors' seats to protect them from objects sokaiya might throw.

What gives sokaiya their power is the belief in Japanese culture that order equals respectability and must be preserved at all costs. Sokaiya threaten to destroy order on the one day of the year that the companies invite their owners in and want everything to go smoothly.

Sokaiya typically operate by buying a few shares in companies and then poring over the companies' balance sheets. They may also collect information from disgruntled employees and competitors. They sometimes send a list of "sample" questions before a shareholders' meeting to elicit hush payments.

Other sokaiya offer their services to prevent disruptions by rival sokaiya. If the boss of a region's dominant sokaiya group is hired to keep peace and receives, for example, a $10,000 cash payment, he might distribute some of the money to the other sokaiya, buying them off.

Although sokaiya sometimes have information about illegal activities, such as tax evasion, "it's rarely the case that sokaiya has that kind of damaging information," Mr. Kubori said.

More often they pose the kind of questions that might occur at an American shareholders' meeting, queries about falling profits or major expenses.

When companies come to him, Mr. Kubori said: "They tend to be overly terrified. I usually say to them, this information is not that damaging. Let them disclose it."

Until recently, many Japanese companies treated sokaiya payments as a cost of doing business. The fact is that many people here make use of gangsters as well as suffer from their crimes.

For years, finance and real estate companies have had yakuza evict recalcitrant tenants or settle insurance claims. In a country where there are only about 16,400 lawyers, and court cases can take years, hired hooligans are sometimes used for settling such problems as disputes over auto accident payments. Working for one party, the gangsters visit the other party, who knows very well who they are, and "propose" a settlement. Typically, a deal is struck without violence.

MODEL: *A 'Third Way' (Best of the U.S. and European Worlds) for Global Capitalism?*

Continued from Page 1

growth and social cohesion."

The broad design of a third way has begun to emerge among economists. It would include a strong bent toward deregulation and free trade, reducing government interference in the workings of free market, regardless of the short-run consequences for individual workers, firms or investors.

At the same time, those who advocate a third way say there is nothing wrong with redistributing the rewards of a market economy after it has done its job — as long as it is carried out in a way that does not significantly alter basic market dynamics. The favored vehicle is a progressive consumption tax that encourages investment, assures a minimal standard of living for all households and finances good schools and effective health care.

If there is a model for this, it can be found in the Netherlands, where unemployment is about 6 percent — half of the jobless rate in neighboring France — while inflation is tame and incomes are growing about 2 percent a year.

What distinguishes the Dutch economy, according to the annual Global Competitiveness Report by the World Economic Forum, is not that the country has low tax rates or a small government. Government spending, in fact, accounts for more than half of the gross domestic product, while taxes and benefits are among the highest in Europe.

But unlike the French and other European economies, the Dutch have virtually no barriers to the flow of goods and capital, even-handed labor laws and very modest regulation over hiring and investment — no interference, in other words, in the basic capitalistic machinery.

Contrast that with France, for example, where companies have trouble closing inefficient operations, where hiring part-time or temporary workers is difficult, where government-owned firms often enjoy protection from competition and foreign investment is restricted.

"There is a fundamental choice an economy has to make between trying to work with market forces and trying to resist the market and repeal the laws of supply and demand," said Paul Romer of Stanford University. "And if you take the countries that have gone down the path of resisting the market, many are now finding that it no longer works."

Mr. Romer offers an example of how the United States and France are responding to the worldwide reduction in demand for relatively unskilled workers.

In the United States, "working with the market" has meant trying to make the college degree as universal as the high school degree was a century ago, at the dawn of the industrial era.

In France, the strategy seems to be to fight the market and shield low-skilled workers from the effects of falling demand by increasing their minimum wage. The new Socialist government, for example, said last week that it would increase the minimum wage by 4 percent, to $7.65 an hour, for the lowest skilled workers. When payroll taxes of 34 percent are taken into account, it means that a company must pay a minimum of $10.25 an hour for even the least-skilled workers.

"Its just wacky," said Robert Lawrence of Harvard University. "In a global economy, you can't provide jobs for unskilled people at $10 an hour — we can't, they can't, nobody can."

But the French finance minister, Dominique Strauss-Kahn, defended the European approach in the name of "equality and social cohesion," adding that economies with low minimum wages and weak labor laws also have the widest gaps between rich and poor.

But Mr. Olson of the University of Maryland said that Europe's egalitarianism is false and ultimately self-defeating: "Economically speaking, the French are being picked to death by ducks. Every French worker benefits from one of the one-thousand-and-one labor market distortions that the government has built into the system. But the result of all those distortions is that their overall standard of living is lower than ours."

If the Europeans sometimes seem wrong-headed in their attachment to government regulation of the economy, economists are equally quick to point out the fallacy in the American belief that all government activity is a drain on economic performance, or that inequality is the inevitable price of a strong economy.

"Empirically, it's just not true that having high taxes and generous benefits always results in less work, less risk taking, less economic growth," said Mr. Frank of Cornell. "That may be the way it looks today in Europe. But in the Pacific Rim, economies are growing pretty fast and incomes are certainly more equal than ours."

هكذا من الأصل

هكذا من الأصل

Summit

Dutch Power La… Strands Hundre…

RIA: *Hurtling Toward Elections*

ued from Page 1

Firms Balk at Payoffs to Mobste…

d from Page 1

Advertisement

INTERNATIONAL FUNDS

available on Internet: http://www.iht.com/IHT/FUN/funds.html

June 23, 1997

Quotations supplied by fund groups to Micropal Paris (tel: 33-1 40 28 09 09) service sponsored by NOKIA

For information on how to list your fund, fax Katy Houri at (33-1) 41 43 92 12 or E-mail : funds@iht.com
Quotations for your funds *via* E-mail : e-funds@iht.com

999 Other Funds

The data in the tables above is the raw, supplied by the fund groups to Micropal SA. It is collated and reformatted into the list below being transmitted to the IHT. Micropal and the IHT do not warrant the quality or accuracy of the list, the data of the performance of titles of the Fund Groups and will not be liable for the list, the data of Fund Groups to any extent. The list is not and shall not be deemed to be an offer by the IHT or Micropal to sell securities or investments of any kind. Investments can fall as well as rise. Past performance does not guarantee future success. It is advisable to seek advice from a qualified independent advisor before investing.

NOKIA 9000 Communicator

Herald Tribune
INTERNATIONAL
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The Denver Scorecard

Bill Clinton and the leaders of Russia, Japan, Western Europe and Canada emerged from their marathon meetings in Denver over the weekend like tired college students who had endured a grueling round of final exams. Their joint declarations covered such a bewildering array of subjects, from Bosnia to global warming to trade barriers, that it was hard to imagine that they did justice to any of them. The blurred focus obscured a couple of significant accomplishments, however.

One was the further integration of the Russian president, Boris Yeltsin, into the West's concerns, and the other was a new economic agenda for the world's richest countries.

As host of the Denver summit, Mr. Clinton rankled feelings among some colleagues, especially Japan, by insisting that Mr. Yeltsin become a nearly full-fledged member of the exclusive Group of Seven. In financial terms, Russia is clearly not in the same league as the other Group of Seven countries that have met annually since 1975 to discuss economic problems. But since the collapse of communism, Russia has crept its way in.

For the United States, inviting Russia this past weekend was a crucial payback for Russia's reluctant acceptance of NATO expansion, to be formalized in Madrid next month. In return, Mr. Yeltsin gave welcome new promises to speed economic reform at home. Russia agreed just before the summit to write off most of the Soviet-era debt owed to it, and in Denver Mr. Yeltsin promised to push hard for improved tax collection, a step that economists consider crucial to restoring Russian solvency. U.S. officials were impressed that Russia had floated its first 10-year bond issue since 1913. But it was far from clear that Russia will make sufficient progress toward a legal system and open markets to meet the criteria for joining the World Trade Organization next year.

A year ago, Mr. Yeltsin was a physically ravaged man, struggling to survive politically and unable to attend the economic summit meeting in Lyon. This time he seemed more fit than in years. He joined with his summit colleagues to call for the reconstruction of Bosnia and went along with a renewed threat of sanctions against Iraq.

But there were disquieting signs that Mr. Yeltsin remains on the defensive at home because of the United States' ill-considered drive for NATO expansion. Russian officials offered little assurance, for example, that they would win parliamentary approval of the START-2 nuclear arms treaty in the Russian Parliament any time soon.

Although Mr. Yeltsin's presence overshadowed the other work of the summit, the conferees nudged a few economic issues forward and papered over their differences in several areas. Europe continues to complain about lagging American aid for Africa, but there was at least an agreement to accelerate trade and investment for countries with open markets.

The summit gave a welcome if vague push toward closer collaboration on global warming and the spread of infectious diseases. A pledge to make bribery by multinational companies a crime might eventually reduce corruption in the world economy.

Conspicuous by its absence in the final communiqué was much reference to Europe's painful struggle to meet the austere requirements of a new monetary union without deepening unemployment, especially in France and Germany. While bragging about America's recent economic success, Mr. Clinton wisely avoided lecturing his European colleagues about how to solve their problems. He seemed more intent on creating a diversion from their crises at home in the warm Rocky Mountain sunshine.

— THE NEW YORK TIMES.

The Tobacco Industry

Now maybe the country will spend some time discussing, seriously and in public, what should become of the American tobacco industry. That is the fundamental question raised by the agreement between the tobacco companies and the state attorneys general whose lawsuits helped to bring the companies to the table — whether and on what terms the industry should be allowed to continue peddling what even it now concedes is its deadly product.

The value of the agreement is that it forces the discussion, but the agreement itself is hard to read.

Here is a demonstrably and notoriously untrustworthy industry promising, so it says, to pay a penalty if it fails to shrink its own long-term domestic market by reducing the number of U.S. children who smoke. It offers to underwrite campaigns to persuade people not to smoke and to help them quit, as well as to set up a fund to pay damages to its victims and to compensate states for health care costs attributable to smoking.

It offers to make available documents which could well turn out to show that it knew the dangers of the product it was selling, suppressed the knowledge, lied about it and sought to make the product addictive. It offers to submit tamely to future federal regulation rather than fighting in Congress, the courts and other available forums while awaiting an administration less disposed than this one has been to enforce the law.

It sounds as if it is offering almost to put itself out of business, at least out of domestic business, and yet it plainly is not. What the companies think they get from this, somehow, is a steady platform from which to continue to do business, albeit perhaps on a reduced scale. That is what everyone says they are after — a steady platform. That is what Wall Street is said to be after. The two things don't square.

The deal needs to be vetted, carefully and by a full range of public health experts — not spin doctors or those with a vested interest in its enactment — to figure out what it likely means. We don't know the answer to that at this point.

We offer three suggestions while the vetting goes on. The first is that the president and Congress should keep their distance from the deal, take their time before they decide what to do about it, which parts (if any) to embrace, which parts to reject, propose be revised, etc. The possible risks in this one are at least as great as the possible glory. They need to be careful above all to make the decision on the basis of the likely long-term merits, not the short-term temptations.

Two, the basic goal has to be the maximum possible reduction within the shortest possible time of the number of people who smoke. The public health people who back the deal say it is on that basis that they have decided to do so; they can think of no better, faster way to get the number down. Is that right?

Above all, we would say in this regard, there can be no diminution of existing regulatory authority in return for the other concessions in the pact. Some early readers of the pact suggested on Friday that there would be such diminution — in, for example, the standard of proof that the Food and Drug Administration would have to meet to regulate nicotine. No way.

Caution three is not to be blinded by the bucks. The regulatory aspects of the deal are more important than the money the industry is offering, more important also than the issues in either direction relating to liability. This is an industry that has pretended to accept constraint in the past, only to wriggle free. It kills people; it needs to be put down. A deal that, on examination, seems likely to strengthen its ability to stay in business long-term will be a hard sell.

— THE WASHINGTON POST.

Other Comment

Intent to Cause Addiction

In the end, Friday's tobacco settlement happened because the disparate interests of youngsters and tobacco company stockholders were both served. But for members of Congress and President Clinton, both of whom must now approve the accord, the health of American youths must be the primary concern.

Under the historic deal, the companies would agree to major restrictions that every American can only understand as an admission that tobacco products are intended to cause addiction and result in illness and often death. No less historic are proposed tough limits on the advertising and sales practices through which manufacturers have so shamelessly targeted youngsters in the search for new smokers to replace those who died.

— Los Angeles Times.

Herald Tribune
INTERNATIONAL
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

ESTABLISHED 1887

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen

KATHARINE P. DARROW, *Vice Chairman*

RICHARD McCLEAN, *Publisher & Chief Executive*
MICHAEL GETLER, *Executive Editor*

• WALTER WELLS, *Managing Editor* • PAUL HORVITZ, *Deputy Managing Editor*
• KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • SAMUEL ABT and CARL GEWIRTZ, *Associate Editors* • ROBERT J. DONAHUE, *Editor of the Editorial Pages*
• JONATHAN GAGE, *Business and Finance Editor*
• RENÉ BONDY, *Deputy Publisher*
• JAMES McLEOD, *Advertising Director* • DIDIER BRUN, *Circulation Director.*
Directeur de la Publication: Richard McClean

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 41.43.93.00. Fax: Subscriptions, (1) 41.43.92.10; Advertising, (1) 41.43.92.12; News, (1) 41.43.93.38.
Internet address: http://www.iht.com E-Mail: iht@iht.com

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334
Mng. Dir. Asia, Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190
Gen. Mgr. Germany, T. Schuster, Friedrichstr 15, 60323 Frankfurt/M. Tel. +49 69/971250-0. Fax: +49 69/971250-30
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254
S.A.S. au capital de 1.200.000 F. RCS Nanterre B 733021126. Commission Paritaire No. 61337
©1997, International Herald Tribune All rights reserved.
ISSN: 0294-8052.

American Economic Strength Has Its Blemishes

By Thomas L. Friedman

DENVER — Sure, America's Group of Seven allies were grumbling a bit in Denver over what they considered excessive bragging by President Bill Clinton about how "America's economy is the healthiest in a generation and the strongest in the world." But I say let him brag a little.

The fact is, he deserves credit for a five-year program of deficit reduction and trade expansion that has lowered inflation and interest rates — without a recession — and left enough steam in the economy to finance America's transformation into a much more efficient global competitor.

America's economic strength today is real. The United States now excels in making everything that is light. That is critical because the more knowledge and information technology are designed into a product, the less it tends to weigh, and the more it tends to sell for.

As Alan Greenspan recently noted, there is less weight today in each dollar of U.S. GDP than ever before: vacuum tubes are replaced by tiny transistors, heavy fabrics by feather-light ones. And whether it is software design, Internet marketing, banking, insurance, consulting, fast-food catering, higher education, package delivery, entertainment, media, computer chips or potato chips, the United States today is good at all the light stuff.

The bad news is that at such a moment of unprecedented prosperity, we Americans ought to be addressing the very real problems still holding our economy back — and we're not.

For instance, I would feel better about America's economy if I knew that we were prospering as one country, not as two. One way I'll know that is when my 11-year-old daughter, who goes to public school in Maryland, stops coming home sad because another one of her friends just quit the public school to go to private school.

I would feel better about America's economy if I knew that we were prospering as one country, not as two.

If I have learned anything traveling the world it is this: Never trust a country where the rich live behind high walls and tinted windows. That is a place that is not prospering as one country. That is a place where the rich not only say "I don't want you to see how I live" but "I don't want to see how you live."

Without the Cold War, the space program, the civil rights movement or army service to unite us, it is easy for this widening rich-poor gap to become institutionalized. This is particularly true when so many of the wealthy are dropping out of the last great homogenizing institution in America — the public schools, even the best public schools.

In the cabinet of the recently defeated British Conservative prime minister, John Major, not a single minister had his children in the British public school system. The Clinton administration can't be far behind that. President Clinton did propose $5 billion in seed money to repair and upgrade decrepit public schools, but Republicans cut it to zero. That is a travesty.

I would feel better about America's economy if there were less tax cutting at this moment of prosperity and some serious reform of Medicare and Social Security. Without it, the deficit is sure to explode again when baby boomers start to retire. The longer you put off entitlement reform, the greater the pain.

I would feel better about America's economy if this latest budget did a little more for young people and a little less for older ones. If we are going to take that lower slice of the population that is not ready for the information economy and give them skills to become taxpayers instead of tax drainers, we need to invest more in the ages of birth to 5.

If we can cut $85 billion in taxes over five years, we can spend a little more making sure every child has a minimum of Head Start and health care.

I would feel better about America's economy if we weren't doing so many of our improvements with other people's money. We are still borrowing tens of billions each year from the rest of the world to finance our deficit. China alone holds $52 billion in U.S. T-bills, and Japan holds $291 billion.

I would feel a lot better if I didn't know that Japan had a savings rate of 31 percent of GDP and an investment rate of 28 percent, while we have a savings rate of 17 percent and an investment rate of 16 percent.

In short, I would feel a lot better if there were just a little less "Today, for Me" in the new budget and a little more "Tomorrow, for Us."

The New York Times.

Hong Kong Will Need Stable and Improving U.S.-China Ties

By Charles W. Freeman Jr.

WASHINGTON — Back in 1984, when Britain agreed to return Hong Kong to China in 1997 and China agreed to keep it as it was for "50 years at least," Deng Xiaoping remarked that Hong Kong would not change much over that period but China would. Eventually, China would become so much like Hong Kong, he implied, that there would be no significant difference between the two.

The Hong Kong Mr. Deng had in mind was economically libertarian but politically authoritarian.

By 1984, Britons had governed their little part of China for more than 140 years. To that point, they had shown no inclination to temper their benevolent autocracy by letting Hong Kong Chinese have a role in the politics of the place.

The colony's governor appointed the members of Hong Kong's Legislative Council, insisted on his right to approve public gatherings, scrutinized the local press for evidence of lèse-majesté, and sometimes threw editors in jail for objecting to British rule.

As 1997 approached, Britain had a change of heart about the merits of democracy in Hong Kong. British negotiators convinced Beijing that, although Britain had not done so, China should institute a significant degree of democracy there.

In 1989, Beijing and London solemnly agreed that, within a year of the July 1 transfer, Hong Kong's people would for the first time elect their Legislative Council. But Chris Patten, the last British governor, decided to jump the gun by staging elections in Hong Kong in 1995, two years before the handover.

Chinese missteps would be self-sanctioning.

However poorly the elections squared with Britain's agreement with China, they were understandable, given the fears raised by China's ruthless suppression of the peaceful uprising in Tiananmen in 1989.

The Chinese insist that, notwithstanding what they regard as British perfidy, they will honor their word and sponsor new elections next year. Most people in Hong Kong clearly believe them. The stock and real estate markets there are booming.

Still, Britain's decision to alter the rules unilaterally could be used by Beijing to justify deviations from the Chinese-British accords after it reasserts its sovereignty over Hong Kong.

Had Mr. Patten stuck to the letter and spirit of the accords, legislators appointed by him would have worked with his Hong Kong Chinese successor, Tung Chee-hwa, to set the rules for elections in Hong Kong.

Instead, on July 1 China will carry through on its threat to dismiss the "illegally elected" legislature. A provisional legislature put together by China will replace it. Legislators appointed by China rather than Britain will determine how their successors are elected in 1998.

The shape of democratic institutions in Hong Kong matters in no small measure because, so far, Mr. Deng has proved right. Since 1984, China has become a great deal more like Hong Kong. (Hong Kong, too, has changed, but not to resemble other parts of China.)

There is no inherent reason that Hong Kong's powerful influence on China should not continue after July 1, or that its influence should be limited forever to economic rather than political liberalization.

Despite the unpromising beginning wrought by British actions and Chinese reactions, there are grounds for optimism. Chinese missteps in Hong Kong would be self-sanctioning, and China knows it.

If press freedoms are significantly curtailed, Hong Kong's role as a regional media center will wither. The Asian Wall Street Journal, the International Herald Tribune, CNN and others will find a more congenial base for their operations.

If Chinese interference or corruption saps the Hong Kong economy of its legendary vigor, its business elite will leave for Australia, Canada, the United States or other countries, where most have already established a right of residence.

If the 1998 elections are a sham, the reaction in Hong Kong and abroad will severely damage the investment climate. The security of the Hong Kong dollar will be in doubt. Capital will go elsewhere.

Beijing understands all this. That is why it is a good bet that China will live up to its pledge that "Hong Kong people will run Hong Kong with a high degree of autonomy." The greatest threats to Hong Kong, in fact, probably don't come from China at all.

On July 1, thousands of foreign reporters and dozens of camera crews will be in Hong Kong to watch the change of sovereignty. In politics, as in particle physics, observation of an event can change and define it. The reporters will be in Hong Kong looking for trouble. Their editors are not sending them there to report good news.

That level of demand for trouble is likely to induce someone to supply it. Hong Kong could suffer irreparable damage from reporting that makes a photogenic but minor incident a misleading symbol of its future under Chinese rule.

Then there are the actions of the United States. The relationship between Hong Kong and China is symbiotic. Hong Kong's business elite is now much more worried about a fatal ricochet from the current fusillade of American potshots at China than it is about what China might do to it after July 1.

Hong Kong would be the main victim of a decision by the United States to deny China normal trading status. American politicians, suffering from apparent "enemy deprivation" and calling for a new cold war with China, unnerve Hong Kong more than they do Beijing.

To continue to prosper, to evolve toward a more democratic society and to be a catalyst for accelerated change in China, the Hong Kong Special Administrative Region of China will need three things from the United States.

It will need policies that reflect sustained American concern for its well-being and seek to hold Beijing to its word. It will need sympathetic support as its politicians bargain with Beijing over the electoral system to take effect in 1998.

But most of all it will need the security and confidence that only a stable and improving American relationship with China can provide.

The writer, U.S. assistant secretary of defense for international security affairs in 1993 and 1994, contributed this comment to The New York Times.

NATO: Step on the Brake or We're Off the Road

By Frederick Bonnart

BRUSSELS — The dust has not settled after President Bill Clinton's recent announcement of support for only Poland, Hungary and the Czech Republic for NATO membership. The dispute is symptomatic of the state of the alliance.

As NATO leaves further behind the common threat that bound it together for 40 years, differences between member countries have become more acute. But it is enlargement that is most harmful to cohesion.

The decision to invite any candidate has to be made unanimously by all member countries, each of which can therefore halt the process. The United States is only one of 16, albeit, as Secretary-General Javier Solana has remarked wryly, an important one.

The diplomatic dance is in full progress. One council meeting after another ends inconclusively. Ambassadors refer to their capitals while Mr. Solana tries to tie the knots together.

Enlargement was discussed privately by NATO leaders present in Denver at the Group of Seven meeting. But the lineup inside NATO of southern members versus the north is evidence of deep malaise.

The American move was not a particularly tactful one, but the exasperation expressed by some of the allies is equally unjustified. Many had, after all, previously voiced their own preferences, and their arguments in support of their various clients are spurious.

Slovenia's membership is claimed as essential to ensure a land bridge to Hungary so that "the alliance can defend its frontiers." But these are not in danger, nor are they likely to be. And it is hard to see how stability in the Balkans would be advanced by extending NATO membership to Romania.

Yet the counterargument that other candidates are "not quite as ready" is equally weak. Romania's democracy is indeed new, but not so far behind that of Poland and Hungary, while Slovenia is considerably closer to a Western-style state than most of the others.

In addition, the maturity of its people is evident in their absence of enthusiasm, regardless of their politicians, for NATO membership. In this they are equaled by the Czechs.

That present indifference is likely to turn into active opposition when the real costs become known.

The study by the U.S. Department of Defense that is the basis on which the administration will present enlargement to Congress places the bulk of the estimated $35 billion cost on the Europeans, leaving a mere $2 billion for the United States.

With all defense budgets declining radically, the European members may find it difficult to come up with their $19 billion share, while questions should be asked about the sources for the new members' $14 billion. In their fragile, inflation-prone economies, such expenditures will weigh heavily on social spending.

They will therefore look to the old allies, in particular the United States, to back their support with financial help, in the form of extended credits or outright aid. That is why the Clinton administration is keen on making the first step a so-called small enlargement.

It is not a small one. Only once in the past has NATO accepted more than one new member at a time, and that, for obvious reasons, was Greece and Turkey in 1952.

Meanwhile, the present dissension is mortgaging the future. It is accelerating the enlargement process.

To appease the other claimants, U.S officials emphasize — and in this they are supported by all the allies — that the door will remain open. That oft-cited phrase could be the death knell of NATO.

Regardless of precautionary measures to try to slow down the next step — by considerable enhancement of Partnership for Peace status to include partners in operational and force planning — the pressure from those not selected for the first wave will mount to boiling point.

If Slovenia, Romania and Bulgaria are favored, the Baltics will be outraged at being left behind. And the closer the aspirants get, the more they will feel that they, too, must sit at the inner council table.

But NATO is quite unable to absorb this number of new members. It has not even been able to cope with the French approach and establishment of the new command structure. Rapid expansion would inhibit the decision process to a point at which the organization's credibility would vanish.

This unraveling can still be stopped.

The process has reached a stage where, regardless of present dissensions, no member would dare to halt it. At least Poland, Hungary and the Czech Republic must be invited, to avoid the critical reversal in the democratic development of Central Europe that could result from present failure.

So agreement will be obtained, even if only when NATO leaders meet at their Madrid summit on July 8 and 9. But if NATO is to retain its effectiveness and power, the allies will have to adapt the pace of enlargement to the absorption capacity of the organization.

The writer, a specialist on NATO affairs, contributed this comment to the International Herald Tribune.

Why Expansion Looks Premature

I QUESTION whether the alliance is ready for expansion, and my skepticism has nothing to do with particular concerns about any of the prospective new members. Rather, it seems that the alliance is avoiding the really tough work of changing the NATO charter to account for broader membership.

I am concerned that we have spent so much time figuring out how to avoid a clash with Russia over NATO expansion that we are ignoring the likelihood of conflicts within the alliance.

We have the experience of Greece and Turkey to caution us that members with historic border-related tensions can create a difficult problem of alliance management. Free of the bonds of Cold War defense against a hostile enemy, allies might one day be adversaries as the result of such tensions.

At the heart of the NATO relationship is Article 5 of the North Atlantic Treaty. It states that the members "agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all."

On the Clinton administration's present course, over the next few years, we will offer NATO membership to countries with border disputes that are long-standing and serious. To do so without modifying the treaty would be a disservice to the American people, who will pay the price of expanding U.S. security commitments.

The alliance should agree to a process for resolving disputes between members. These conflicts are inevitable as membership grows. Fixing the problem now will keep the United States from being drawn into regional conflicts in Europe that would sap our own strength and weaken the American security umbrella and the alliance's guarantee of mutual self-defense.

Another factor to consider is whether NATO membership is in the best interests of the emerging East European democracies. If their governments believe that strengthening their economies is a higher priority, then are the billions of dollars a year in defense spending required to meet NATO force standards really appropriate? Wouldn't such funds be better spent on infrastructure such as roads and water treatment systems, or on investments in manufacturing and agriculture?

— Kay Bailey Hutchison, a Texas Republican in the Senate NATO Observer Group, commenting in the Los Angeles Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: X-Ray Success

PARIS — The *Journal des Débats* says that successful use was made of the special X-rays apparatus by which the Customs authorities can discover the contents of travelers' luggage. Cigars in a closed box could easily be counted, the springs of an armchair could plainly be seen as well as the contents of a carefully sealed package. Owing to the weight of the new instrument it cannot yet be used at small stations or by the Octroi officers at the entrance to Paris. But it is very probable that smaller instruments will shortly be made.

1922: Scabs Murdered

CHICAGO — Probably forty men lost their lives by cold-blooded murder after they, as strike-breakers, had surrendered to the mob of strikers which attacked the strip mine of the Southern Illinois Coal Company, near Marion. The strike-breakers were tied together in groups of four to six and then told to run, being shot down as they obeyed the command, others being tied together and thrown into the lake. Governor Small has ordered 1,000 National Guardsmen here prepared to move into the coal district if needed.

1947: Attacks in Sicily

PALERMO — Four men were killed and six wounded in simultaneous attacks on Communist headquarters here late last night [June 23]. The attacks were made at midnight by groups of khaki-uniformed masked men allegedly led by a notorious Sicilian bandit, Salvatore Giuliano. Known as the "Robin Hood" of Sicily, because of his habit of robbing from the rich and aiding the poor, Giuliano has reigned in the mountains for more than two years.

هكذا من الأصل

OPINION/LETTERS

The Gentleman Lawrence Walsh Finally Gets Mad and Gets Even

By Mary McGrory

WASHINGTON — Like other tourists before him, Lawrence Walsh came to Washington and got rogged. He was a distinguished federal judge who was chosen to be independent counsel in the Iran-contra mess, and he lost his encounter with the brass-knuckled Reagan White House staff. It was, as these things often are, an unfair fight between the law of tooth and claw and the Marquess of Queensberry rules, some of which Mr. Walsh could easily have written.

Now Mr. Walsh, who was preternaturally reticent during his six-year attempt to nail the willful men of the Reagan administration who ignored laws that did not accommodate their obsessions, has struck back. The diffident, impeccable jurist has written his own account

He was no match for the crafty desperadoes who would have dee anything to save Ronal Reagan.

of the lying and cover-up of two Republican presidents. "Firewall" is like Mr. Walsh's inquiry: overlong, plodding, remorselessly detailed and written with scant regard for the consumer. But if you want to know what really happened in that adventure in lawlessness and unconstitutional government, it's the source you need.

Mr. Walsh came back to town recently just as the observance of the 25th anniversary of Watergate was getting under way. The opening notes in that joyous paean, "The System Worked," were being sounded. But in the Iran-contra investigation, nothing worked. Mr. Walsh and his hard-working band were rolled by Congress, the courts and, of course, by the great bamboozler Oliver North. The joint Select Committee led by Senators Daniel Inouye and Warren Rudman (who were determined, going in, not to impeach Ronald Reagan) committed the supreme folly of immunizing Mr. North, which meant that Mr. Walsh and company had to turn themselves inside out to avoid being "tainted" by Mr. North's congressional testimony. It was a folly resisted only by the Texas congressman Jack Brooks, who flatly suggested that if the Marine with the cracked voice were to take the Fifth, a year in jail for contempt of Congress might be a better way to bring him around.

Ten years later, the decision to immunize Mr. North haunts the Senate Governmental Affairs Committee as it struggles with whether to give immunity to witnesses in the campaign finance investigation, the latest Washington scandal. The committee members recall that breaking voice, the flowers for Ollie piling up in the Senate a decade ago; they remember the overturning of his conviction and they say, "I don't think so."

Mr. Walsh never expected to write a book; he's not the cash-in type. But he found an unexpected interest and a willingness on the part of audiences to listen long to his version of events. He is 85, happily back home in Oklahoma City and in glowing health, which he attributes to swimming daily.

He knows that in many ways he was miscast for his role. He was no match for the crafty desperadoes who would have done anything to save Ronald Reagan from the excesses of his policies in Central America and his efforts to recover U.S. hostages in Lebanon. The two foreign policy issues became joined in a grotesque marriage, in the sale of arms to Iran and the diversion of the profits to finance the last, ugly gasp of the Cold War in the hemisphere.

For instance, Mr. Walsh made the laughable assumption that submitting written requests for documents from the White House would do. At the time, Fawn Hall was spiriting them out in her underwear, and she and Mr. North broke a couple of shredders with their vigorous filing. Mr. Walsh now says he realizes subpoenas were called for.

He admits ruefully that he might have been more gung ho in some situations. When the three-judge panel was named to consider Mr. North's appeal, Mr. North's aggressive lawyer, Brendan Sullivan, successfully objected to the presence of Judge Abner Mikva. Mr. Sullivan argued that Judge Mikva should be disqualified because, as a congressman, he had voted for the Independent Counsel law. Mr. Walsh observes that he could have protested another panel member, Lawrence Silberman, a vociferous critic of the statute.

But Mr. Walsh was simply incapable of the pit-bull alertness of his targets. He did not understand the "arrogant disdain for the rule of law," which he finally identified when George Bush "played the last card in the cover-up" by pardoning Mr. Reagan's secretary of defense, Caspar Weinberger.

Mr. Walsh gets mad and, in his book, he gets even. He makes mincemeat of Mr. Bush's claim that he was "out of the loop" — assisted by large helpings from Mr. Weinberger's copious, handwritten notes, the existence of which the secretary of defense vigorously denied. In the last days of the 1992 campaign, Mr. Walsh reindicted Mr. Weinberger and reignited the issue of Mr. Bush's character on Iran-contra. Mr. Bush's partisans "blamed me for their candidate's loss," he writes with quiet pride. He's entitled.

The Washington Post

Eisenhower's 'Affair' Was Nothing of the Sort

By Susan Eisenhower

WASHINGTON — Adultery in the military has transfixed the press and public for weeks, bringing with it a spate of rumors and innuendo. There have been no sacred cows. Even those who are dead have been accused of committing adultery, even when the historic record actually supports their "innocence." I am thinking about how reporters and pundits have rolled out the rumor about Dwight Eisenhower's alleged romance with his

MEANWHILE

wartime driver Kay Summersby, often omitting "alleged" and simply repeating it as fact.

But contrary to what has been said, oral histories do not support the contention that they were romantically involved. Furthermore, documents show that Eisenhower did not secure Miss Summersby's commission in the army. Nor did he advocate that she become his military aide — all allegations that have been advanced to "prove" their romantic relationship.

The rumor has been durable, however. During the war, there was some tattle about the supreme commander and the "pretty Irish girl who also drives for General Eisenhower" — in the 1943 words of Life magazine — but nothing much more. It wasn't until three decades later, and several years after Ike's death, that the rumors were cemented in the public mind. It started when the reporter Merle Miller published an interview with Harry Truman, in which the former president was quoted as saying that Eisenhower had written General George Marshall asking to divorce Mamie so he could marry Miss Summersby. Though Miss Summersby herself admitted that she was surprised by Truman's supposed statement, a few years later her second book of World War II memoirs, "Past Forgetting: My Love Affair with Dwight D. Eisenhower," reinforced the idea of a romance — as did the 1979 television miniseries based on the book.

There was little or no coverage of the slow discoveries that soon corrected the distorted historical view, however. Merle Miller wrote another book, in which he recanted his earlier assertions. Scholars in search of the letter to Marshall found that on June 4, 1945, Ike asked not for a divorce but for permission to bring Mamie to Europe, at a time when Miss Summersby was very much on the scene. And before long, it also came to light that Kay Summersby had never written "Past Forgetting" at all. She had died within a month of signing the contract, so the book was penned by a ghostwriter.

"In fact, this last dreadful book was only written after her death," confirmed Miss Summersby's confidante, Anthea Saxe, whose husband was the executor of Kay's estate. "She never saw a word of it. ... The whole thing was made up."

Miss Summersby had gone to work for Eisenhower in 1942, and after her fiancé was killed by a land mine in 1943, her friends say she went into a deep depression. Eisenhower, noticing her distress, tried to keep her busy so she wouldn't have time to brood. "General Eisenhower," Miss Summersby recalled, "was like an older brother to me, kind, thoughtful and considerate."

Anthea Saxe says Kay helped Ike, too: "She was invaluable to the general, not as a lover, not as an object of romance, but because she was right there."

Peg Chase Camajani, another WAC at headquarters, wrote that she never had the feeling that Eisenhower "loved" Miss Summersby. "She played a sharp game of bridge, rode a horse fearlessly and was a great help in providing the opportunity for rare moments of recreation. Eisenhower was a truly lonely man, isolated in his commanding position."

Bob Considine, a journalist and Summersby friend, recounted the evening his wife asked Kay directly if she had ever slept with Eisenhower.

"'You know,' Kay said, 'you're the first person I have ever met that had the courage to ask me that question. ... The answer is no. Never. ... If he had asked me, beckoned a finger to me, I would have done anything he asked me to do. But he never asked me.'"

What a pity that the network miniseries, based on a book the author didn't even see, made "fact" of the "affair." For the true story is far richer than any tale of adulterous romance. It is about how one man, without his wife for three years, handled the weight of responsibility alone. "Everything I do, or see, or hear, or even think, is secret," he wrote Mamie. And throughout most of the war his security was, of necessity, tight enough to warrant a guard at his bedroom door at night.

Despite this, he developed a personal philosophy and a moral and intellectual compass steady enough to bear the terrible burden of life and death decision-making. On Feb. 15, 1943, Ike wrote one of his 319 letters to Mamie, in which he said: "Subordinates can advise, urge, help and pray, but only one man, in his own mind and heart, can decide 'Do we or do we not.' The stakes are the highest and the penalties are expressed in terms of loss of life. ... So the struggle is to do one's best; to keep the brain and the conscience clear; never be swayed by unworthy motives or inconsequential reasons but to strive to unearth the basic factors involved and then do one's duty."

Perpetuation of the Eisenhower-Summersby rumor doesn't hurt anyone except the American people. It distorts the public debate by setting up a false and misleading example of equivalency.

As the military and its civilian commanders grapple with the continuing issues related to adultery in the military, it should not be too much to ask that we be given the opportunity to evaluate serious current issues with valid historical analogies.

The writer, granddaughter of Dwight Eisenhower, is a foreign policy analyst and author of "Mrs. Ike: Memories and Reflections on the Life of Mamie Eisenhower." She contributed this comment to The Washington Post.

LETTERS TO THE EDITOR

A Model World

I am a 12th grade student at an international school in Paris. This past March I went to participate in the Harvard Model Congress Europe. The congress is a reconstitution of the different branches of the U.S. government and international organizations such as NATO and the Group of Seven. The organizers' aim is to provide students a better understanding of democracy as well as global and U.S. issues. I chose to be a member of the National Security Council.

We received briefings written by Harvard students explaining the issues we would debate. This year, the NSC was studying the transfer of the Panama Canal in 1999 and examining how the United States could protect its interests in the area.

My main problem with the briefings on Panama is that they gave a misleading version of the facts and slanted the debate from the very outset.

For example, U.S.-Panama relations were outlined in such a way that it appeared as the United States intervened in Panama in 1989 simply to protect democracy after General Manuel Antonio Noriega's coup, and that Operation Just Cause was successfully completed within a week.

Some reasons for keeping U.S. troops in the region were not even mentioned — for example, making sure that U.S.-friendly governments ruled Panama and neighboring countries. The Panama Canal was definitely useful in the U.S. effort to overthrow the Sandinistas in Nicaragua in the 1980s.

On the opening day we heard a speech defining the goals of the congress: the "three Cs": compromise, consensus, character. The speaker insisted that the congress was an opportunity to add a moral and ethical dimension to politics. When I took a pledge of honor.

However, what I heard over the following days had nothing to do with morality.

The only references to the Panamanian people were to opinion polls that gave an indication that much of the population lives in poverty and that the overall economic situation worsened after the U.S. intervention. Numerous conversations led me to believe that my colleagues trusted the simplistic account of U.S.-Panama relations. My efforts to introduce counter-arguments were met with a determination to ignore anything that cast a shadow over U.S. motives.

I witnessed 17- and 18-year-old kids behaving like cynical and heartless adults, making statements such as "National security outweighs ethical considerations."

What I learned is that in foreign policy at least, democracy exists in procedure but not in principle. The congress should have been an ideal occasion to use our combined resources and call into question the mechanisms of politics. By resources I mean our young age and our different backgrounds. There were kids from Lebanon, Turkey, Mauritius, India, Morocco, Sweden, Germany, Luxembourg and Spain. Yet no one seemed willing to challenge the prevailing cynical approach to the world, or to brandish ideals and human feelings in the face of war, money and power. Where was the hope or the dream that these demons might one day stand in the desert like the crumbling statues of a defunct dynasty?

Ideals had been replaced by elegant suits and a distinguished demeanor.

ARUSHA TOPAZZINI.
Paris.

France Unraveling

If Diane Johnson ("*France: Their High-Cholesterol Regimen Has Worked So Far*," *Opinion, June 11*) really thinks the French have managed rather well up to now, then she should get an opinion from a *chomeur* — an unemployed worker — or perhaps make a rendezvous with a manager from one of the undercompetitive French enterprises inevitably due for cutbacks, or maybe even interview one of the many angry and anxious French business school students hopeful of finding a starting position in an American or Asian multinational company.

Clean trains, nice museums and designer clothes tend to lose a bit of their charm when people have lost their jobs and benefit payments begin to run out. Either French businesses and the French state adapt to become more competitive both domestically and globally or the quality of life in France will continue to erode.

On the other hand, the continued unraveling of the French economic and social fabric might offer an excellent backdrop for a sequel to Ms. Johnson's latest novel, "Le Divorce." How about "Le Chomage"?

CLAYTON DAY.
Nice.

Gates and Java

Regarding "Don't Worship Java, Gates Says" (Finance, June 4):

It shouldn't surprise anyone that Bill Gates is fighting the introduction of a standard programming language, called Java. It is precisely the opportunity to escape the yoke of Microsoft dictatorship that is so meaningful to the computer community. Of course Mr. Gates shudders at the consequences that Java's adoption would hold for him.

Those of us who have benefited so much from competition in the computer hardware market, which has provided us with ever more powerful computers at increasingly reasonable prices, are overjoyed at the prospect of a similar development in the software market.

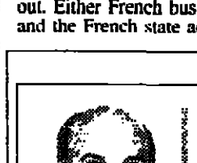
JOE WILLIAMS.
Düsseldorf.

What Goes Around

Regarding "A Jokey Scoop So Scummy It Isn't Funny" (Opinion, May 23) by Richard Cohen:

Mr. Cohen hit the nail on the head. Why has our society stooped to trying to trip people up rather than lift them up? Journalists are only partly at fault; they give many of us what we want to see and hear. We should always remember that the tables could easily be turned and any one of us could end up being the focus of entrapment and unwanted attention.

HOWARD M. LIEBMAN.
Brussels.



ALAN FRIEDMAN
Global Economics Correspondent

ECONOMICS

Authoritative, incisive, perceptive, leading edge reporting.

If you missed his exclusives in the IHT, look for them on our site on the World Wide Web:

http://www.iht.com

Hotel Inter-Continental Paris

Insight into a city takes decades to acquire and just a moment to share.

One World. One Hotel.
Uniquely InterContinental.

INTER·CONTINENTAL.
HOTELS AND RESORTS
www.interconti.com

ASIA PACIFIC
BALI
BANGKOK
BEIJING
CHENGDU
COLOMBO
JAKARTA
KUALA LUMPUR
MANILA
NEW DELHI
PHNOM PENH
QINGDAO
SEOUL
SHENZHEN*
SINGAPORE
SYDNEY
TAIPEI
TOKYO
YOKOHAMA
EUROPE
AMSTERDAM
ATHENS
BARCELONA
BELGRADE
BERLIN
BRATISLAVA*
BRUSSELS
BUCHAREST
BUDAPEST
CANNES
CRACOW*
EDINBURGH
FRANKFURT
GENEVA
THE HAGUE
HAMBURG
HANNOVER*
HELSINKI
ISTANBUL
LEIPZIG
LISBON
LJUBLJANA
LONDON
LUXEMBOURG
MADRID
MONTREUX
MOSCOW
MUNICH*
NICOSIA*
PARIS
PORTOROZ
PRAGUE
ROME
STUTTGART
TASHKENT
VIENNA
WARSAW
ZAGREB
ZURICH
AMERICAS
BOGOTA
BUENOS AIRES
CALI
CANCUN
CARACAS
CARTAGENA
CHICAGO
CIUDAD GUAYANA
COZUMEL
GUADALAJARA
ICTAPA
LOS ANGELES
LOS CABOS
MANAGUA
MARACAIBO
MEDELLIN
MEXICO CITY
MIAMI
MONTREAL
NEW ORLEANS
NEW YORK
PANAMA CITY
PUERTO VALLARTA
RIO DE JANEIRO
RIO NEGRO*
SAN FRANCISCO
SAN JOSE PURUA
SANTO DOMINGO
SÃO PAULO
TORONTO
VALENCIA
WASHINGTON, D.C.
MIDDLE EAST
ABHA
ABU DHABI
AL AIN
AMMAN
BAHRAIN
BEIRUT
CAIRO
DUBAI
HURGHADA
JEDDAH
JUBAIL
MAKKAH
MUSCAT
PETRA*
RIYADH
SHARM EL SHEIKH
TAIF
AFRICA
ABIDJAN
CAPE TOWN
DURBAN
FRANCEVILLE
JOHANNESBURG
KINSHASA
KRUGER NATIONAL PARK
LIBREVILLE
LUSAKA
NAIROBI
VICTORIA FALLS
*FORUM HOTEL

هكذا من الأصل

INTERNATIONAL

More Chinese Troops to Enter Hong Kong Before Handover

The Associated Press

HONG KONG — Breaking a last-minute stalemate, China and Britain announced a deal Monday to let 509 Chinese soldiers enter Hong Kong three hours before British rule ends.

The agreement announced in Beijing and Hong Kong said the troops and officers would enter Hong Kong in 39 vehicles at 9 P.M. on June 30.

Britain had flatly rejected an earlier Chinese demand to have at least some troops in Hong Kong barracks by the time sovereignty was handed over at midnight.

The agreement, announced just eight days before the handover, will enable the Chinese force to "perform its defense duties in Hong Kong from zero hour of July 1," the statements said, adding that it meant Britain will hand over defense responsibilities to China "smoothly."

Beijing is to deploy up to 10,000 People's Liberation Army troops in Hong Kong to symbolize its sovereignty over what will be a largely self-governing region of China.

Nearly 200 unarmed troops have moved in as an advance guard, and it was assumed the remainder would enter after the handover.

But China unexpectedly insisted that the troops needed to be in their new barracks beforehand to take up their duties the moment the handover was completed.

Britain refused, which led to speculation in the media that the People's Liberation Army might move in without Britain's permission in the hours before the handover.

Deploying the Chinese Army in Hong Kong, where it is widely disliked as the enforcer of the Chinese Communist system, was one of the most sensitive issues of the change of sovereignty.

Even minor incidents, like an altercation with a Chinese general at the border or the creation a public bus stop on what will be Chinese Army land, have occasioned headlines in the Hong Kong press.

China has promised that its troops will be on their best behavior and refrain as much as possible from interacting with the public. Governor Chris Patten has said the advance party's behavior has been impeccable.

Monday's agreement was reached by the Joint Liaison Group, the British-Chinese negotiating body that is overseeing the handover.

The announcements said the troops would be spread among barracks in four areas of Hong Kong.

The 78 moving into Prince of Wales Barracks in central Hong Kong will take part in "a simple and dignified ceremony around midnight," the statement issued in Hong Kong said.

Meanwhile, another evocative symbol, the royal yacht that will carry the British empire's mantle from Hong Kong, docked Monday near the pavilion where colonial rule will end.

The Britannia arrived escorted by ships and helicopters, and its crew immediately began getting it shipshape for the handover, and to serve as Prince Charles's base when he arrives later.

Both Charles and Mr. Patten, the territory's last British governor, will set sail from Hong Kong aboard the Britannia.

Monday was a day that stood on ceremony and nostalgia beyond the harbor as well. Across town, members of the departing legislature buried a time capsule and expressed hopes about the future — some more tentative than others.

The elected legislators lose their seats when the provisional legislature installed by Beijing is sworn in minutes after the July 1 changeover.

Emily Lau, a pro-democracy legislator, put her 1991 and 1995 election manifestos in the capsule, and said: "I hope that all those things would materialize in 10 years — that we have full democracy."

Other time-capsule items ranged from a souvenir miniature bus to the voided American passport that a legislator gave up to demonstrate his faith in Hong Kong's future.

China has promised the territory extensive autonomy. Hong Kong's new leader, Tung Chee-hwa, reiterated that fact in a page-long essay published Monday in the South China Morning Post.

"I assure Hong Kong people that they will be able to continue with their free lifestyle and that lawful and peaceful demonstrations will definitely be allowed in the future," Mr. Tung wrote.

And the leader of the Democratic Party, Martin Lee, said that July 1 "should be a glorious day" for Chinese everywhere. But "why must I, in becoming Chinese, pay such a heavy price?"

"Why must I give up some of my freedoms on that glorious day? Why is it that Britain, our colonial masters, were prepared to trust Hong Kong more than our own Chinese masters?"

Party in France Regrets Stalinism

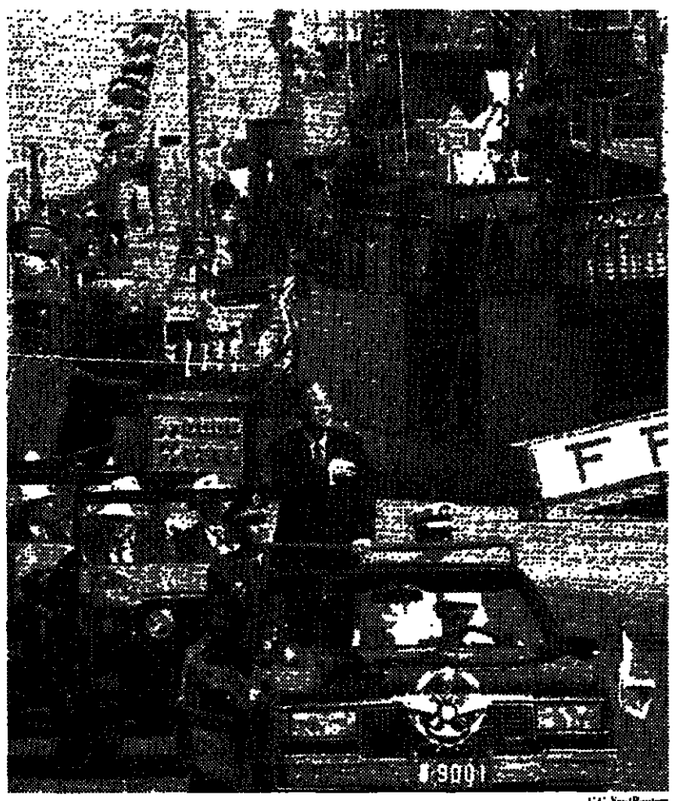
...uters

PARIS — ...nce's Communists, eager to shed ...e last remnants of their Stalinist ...st now that they are in government, ...have publicly apologized to ...er party officials purged in the '60s for denouncing Stalin's crime...

Robert Hu..., the party leader, ...aveled Sun... to the eastern ...rance home... one of the most famous victim... of the purges, 83-year-old Ma...ce Kriegel-Valrimont, to voice ...grets and pledge a re...riting of th... party's history.

Settling ...erences by unconditionally esp...sing views said to be infallible a...attacking comrades on their integ...y as human beings was ...n immen... mess for all Communists." Mr. ...ue told what was billed as a "br...erly meeting" of a few hundred pa... members.

Taiwan Opens Two Days of War Games



U.C. Yau/Reuters

President Lee Teng-hui inspecting Taiwan's fleet Monday at Tsoying.

The Associated Press

TAINAN, Taiwan — Taiwan began large-scale air and sea war games Monday, showcasing its military might a week before China regains sovereignty over Hong Kong.

The United States had asked Taiwan to postpone the exercises. Taiwanese military leaders said the annual war games had no connection to the handover of the British colony on July 1.

The two-day exercises bring army, navy and air force units together to practice defending the island from invasion and include a live-fire exercise. Navy ships also will practice maneuvers off the Hengchun Peninsula, Taiwan's southernmost point.

President Lee Teng-hui inspected Patriot missiles, U.S.-made F-16s and French Mirage fighters Monday along with domestically made fighter jets on display at Tainan Air Base in southern Taiwan. Then Mr. Lee took the salute from naval personnel at Tsoying Naval Base in the southern port of Kaohsiung, reviewing advanced Lafayette-class frigates purchased from France along with other ships made in Taiwan or leased from the United States.

Taiwan is radically upgrading its military, spending billions of dollars to replace World War II and 1960s-era American hardware.

A Hong Kong newspaper reported this month that China planned to hold exercises at about the same time as Taiwan's games. Chinese officials have not commented on the report.

The United States had urged both sides not to hold exercises during the ceremonies for the handover of Hong Kong.

BRIEFLY

German Court Jails 4 Algerian Activists

DUESSELDORF — A German court on Monday convicted two sons of a jailed Algerian fundamentalist opposition leader of belonging to an illegal support group for anti-government forces in Algeria.

Salim Abassi, 30, and his brother Ikbal, 26, sons of Abassi Madani, were found guilty of belonging to a criminal organization and forging official documents. They received two years and eight months and to two years and four months, respectively.

Two other Algerians, Nasr-Eddine Layachi Hemaz, 31, and Mahmoud Logbi, 26, were convicted on similar charges and sentenced to lesser terms.

"The aim of their criminal grouping was to provide persecuted Islamists with false passports and other forged documents," Judge Jutta Magiera-Steinacker told the court in Duesseldorf. *(Reuters)*

54 Kurds Killed, Turkey Claims

DIYARBAKIR, Turkey — Security forces killed 54 Kurdish guerrillas in fighting over the weekend in southeastern Turkey, the governor's office said here in a statement Monday.

The statement said troops, backed by air power, killed 33 members of the Kurdistan Workers Party in the province of Van, near Turkey's border with Iran.

In separate clashes, security forces killed another 12 guerrillas in the southeastern province of Hakkari and a further three in Sirnak Province, it said. Six guerrillas were killed late Sunday in the southeastern province of Bingol. *(Reuters)*

Fujimori Slipping In Peruvian Poll

LIMA — The popularity of President Alberto Fujimori has fallen to the lowest level in his seven-year rule because of his perceived authoritarianism, according to a poll published Monday.

Only 27 percent of Peruvians polled said they approved of Mr. Fujimori, while 67.8 percent disapproved, the local pollster Analysts & Consultants said.

Mr. Fujimori has antagonized the public in recent weeks with his government's moves against the nation's highest constitutional court and the opposition press. *(Reuters)*

HANDOVER: *It's a Watch, an Umbrella*

Continued from Page 1

elry. There are Handover umbrellas, Handover top hats, Handover underwear, Handover commemorative coins and stamps, Handover coffee mugs and baseball caps, Handover pocket diaries, Handover T-shirts and postcards, Handover lighters and even a limited-edition Handover Barbie, with a Chinese empress dress and long, black tresses replacing her familiar blond locks.

Reebok is in on the act, with a pair of "commemorative" pump training shoes in red and yellow — the colors of the Chinese flag — with the Chinese characters for "97" embroidered on the tongue. Other souvenirs are less obvious, owing to the boundless creativity of local entrepreneurs. For example, one can purchase a can of authentic Hong Kong "colonial air," billed on the label as "the last gasp of an empire." The ingredients? "100 percent pure pomposity," the label explains. "Sealed before 1 July 1997."

There is a Handover beer, known as Red Dawn, bottled with a distinctive red label emblazoned with the year '97. And there are several varieties of Handover wine, including "Chateau Hong Kong, vintage 1997," which bills itself as "A Liberal Red."

No matter how tacky, at least some of the Handover memorabilia seem to be selling. Joscelin Halsey, who created Joss Enterprise Co. to peddle souvenirs, said she initially ordered 3,500 Handover mugs and has sold them all. Also selling well, she said, are Handover shot glasses.

Natasha Edwards, who was born in Thailand and grew up here, is marketing her own Handover memorabilia: top hats imported from Nepal and adorned with Britain's Union Jack on one side and China's red flag on the other.

But not only merchandisers are cashing in on the turnover. Restaurants, bars, clubs and pubs have also all recognized that there is money to be made on the Big Event, and almost every watering hole in town seems to be offering some kind of Handover special for the night of June 30, when Hong Kong returns to Chinese control at midnight.

Off the party circuit, some of the semiofficial events promise to give the word "kitsch" an entirely new meaning.

For example, Hong Kongers on the first day of Chinese rule will awaken to a flotilla of giant pandas making their way down the harbor illuminated by lasers and fireworks.

The flotilla will dock off the city's central business district. Then a local governing council plans to release 10,000 Chinese homing pigeons that are supposed to find their way to China — to "symbolize Hong Kong's return to her motherland," the event's organizers say.

"Birds from all over China will be released in the territory," deadpanned Hong Kong's irreverent HK Magazine. "It will be interesting to see how many ask for asylum."

VIETNAM: *For Workers, Not Yet Paradise*

Continued from Page 1

system of law that protects the worker," Mr. Binh said.

It is the ultimate contradiction in Vietnam, a self-professed workers' haven.

Ho Chi Minh and other Vietnamese nationalists adopted communism in the 1940s in the fight against French colonial rule. When North Vietnam proclaimed itself a communist republic in the 1950s, it was scarcely an industrialized society — a basic requisite for communism.

Only now, as the economic doctrines of communist rule wane, is the country beginning to develop heavy industry and a manufacturing capability. A labor movement is emerging, bringing demands for equality, respect and a bigger share of the country's wealth.

Foreign investment is creating more and better-paying jobs and the standard of living in cities is on the rise — although modestly. Yet more workers feel reduced to cogs in a machine directed by foreign money and Vietnamese partners.

Fewer than 3,000 people nationwide went on strike in 1994. Two years later, quadruple that number walked out in Ho Chi Minh City alone. The trend is still on the rise.

"We often complain to our supervisors that we aren't machines, we're human beings," said Ho Thi Thanh, a union representative at Nike's troubled shoe operation in Cu Chi, some 40 kilometers (25 miles) from Ho Chi Minh City.

Down a dusty road from the Sam Yang Co. factory, which is owned by South Koreans and which works for Nike, Miss Thanh balanced on a tiny plastic stool at a tea stall and explained the difficulties at her troubled workplace.

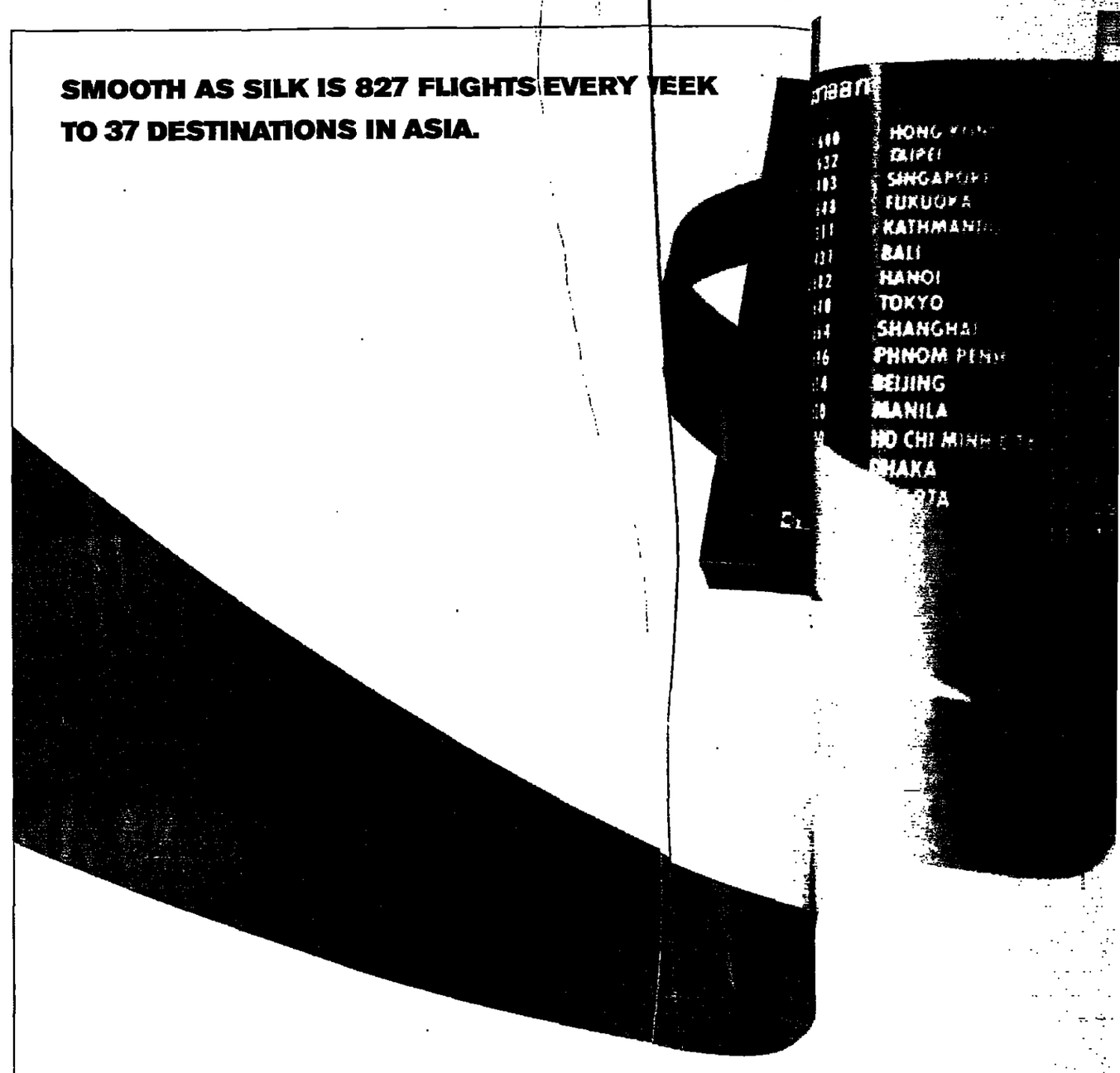
Last month, a line supervisor smacked a worker across the hip with the sole of a Nike sneaker to make the employee work faster.

It was a repeat performance of a highly publicized incident last year, when a South Korean floor manager used the rubber sole of a shoe to beat an employee over the head. A tribunal gave that woman a three-month suspended prison term.

Nike says that it has intervened and insists that labor relations are on the mend in its factories, all of which are closed to journalists except by guided tour with a Nike regional executive from Hong Kong.

Miss Thanh said, however, that problems still plague Sam Yang. The factory's workers are still without a group contract, leaving them vulnerable to random firings with little recourse as union, she said.

SMOOTH AS SILK IS 827 FLIGHTS EVERY WEEK TO 37 DESTINATIONS IN ASIA.



STAR ALLIANCE

E-Funds

International Funds via E-mail.
A new service for IHT readers.

What is E-Funds?
E-Funds is a service that allows you to receive regular updates on the international fund groups that interest you. These updates are delivered automatically to your e-mail box daily.

How do I subscribe?
To add a fund group, send an e-mail message to "e-funds@iht.com" — in the body of the essage, type SUBSCRIBE followed by the fund code. For example, to subscribe to the Global Asset Magement fund, you would type SUBSCRIBE 076 (The fund codes appear next to the funds listing on the International Funds page of the IHT). Within 5 minutes, your subscription will be registered and you will begin to receive daily updates on the fund.

How many funds may I subscribe to?
You may subscribe to as many funds as you like, but you must send an individual SUBSCIBE message for each fund. Receive a full list of funds codes on the IHT International Funds page, or by sending an e-mail message to "e-funds@iht.com" with the command INDEX as the first text in the body of the message.

What must I pay?
There is no cost for subscribing to E-Funds. This is a reader service feature for IHT readers.

Brought to you in collaboration with NOKIA, the official E-Funds sponsor

Follow your funds via the Herald Tribune

THE WORLD'S DAILY NEWSPAPER

هكذا من الأصل

Style

هكذا من الأصل

TOMORROW: SINGLE

Cruise Lines: The Care and Feeding of Boutiques

By Suzy Menkes
International Herald Tribune

PARIS — A new generation has stormed the citadel of couture. But will it have the energy and the staying power of the established designers who keep turning out new collections?

The current cruise shows give some idea of the punishing schedule of fashion life at the top.

Take Emanuel Ungaro, who, like other couturiers, is working frantically on haute couture, to be presented in early July. On Friday, the house showed 100 models in its cruise line — fresh as paint in red, white and blue, neutral or bright pastel colors.

On Saturday — the very day that Ungaro had dressed six society women in couture for the ball given by the Aga Khan at Chantilly for his daughter's wedding — there was another complete collection: Weekend, with sophisticated separates selling at one quarter the price of the main line.

Next week, Ungaro will put his menswear on the Paris runway, just three days before the haute couture show on July 7. Even with 25 people in the design studio, 350 outfits and four shows within one month is impressive.

"I don't know how he does it," said Laura Ungaro at the cruise show, while her husband was closeted in the couture atelier. "He gets up at 6 A.M., works out for 40 minutes — and he has a lot of energy."

It is a similar story for Karl Lagerfeld, whose Chanel cruise line was presented in the spare space of a modern art gallery in homage to the Chanel No. 5 fragrance in Andy Warhol packaging. Lagerfeld has no men's line for Chanel, but he is working both on couture and on the next ready-to-wear shows for Chanel, Fendi and Lagerfeld.

The cruise lines are a good indication of how well a designer can distill the creative essence of the brand. In contrast to the brouhaha surrounding the signature collection, these are clothes destined to "feed" the boutiques and give women an appetite for fashion between seasons. They require a designer signature — but not a bold statement.

Ungaro's show was a real client pleaser. Usually the phrase "something for everyone" is fashion's kiss-off line, but Ungaro was smart enough to insinuate a new softness and ease for pants and cardigan jackets, while still offering more structured suits for conventional customers. Both looks were shown with cute tops in lacy, racy knit — an example of how an individual item can refresh a wardrobe.

A focus on color and texture was also significant, with devore or burned-out effects creating a feathery lightness that made pants flow and jackets waft. Georgette and lace also made airy dresses, or, alternatively, stretch materials gave a sexy edge to skinny pants.

The Weekend collection, a new part of the U (for Ungaro) lower-priced line, looks like a hit. Here fabrics were intriguing and often high-tech, with the logo as a camouflage pattern, burned out to give the effect of broderie anglaise, or used like a gift-ribbon banding a dress. Bright jeans and shiny cargo pants were casual, but shapely coats and jackets make the U collection more than just a designer jeans line.

Chanel cruise was minimalist in mood: no globby signature buttons fastening the plain, soft tailoring; no logos on the sleek swimsuits; not one single necklace and only dull-metallic bracelets in the gilt-free zone.

YET Lagerfeld has a way of giving a fresh spin to Chanel, by making pastel-colored tweed suits paper-weight, so that the long skirts seemed as light as a sarong. The pale knits that opened the show were ice-cream cool with their rainbow borders.

Lagerfeld said that the sweet, soft potpourri colors were inspired by the paintings of Marie Laurencin, whose portrait of Coco Chanel hangs in the studio. They gave a slightly nostalgic feel to a collection that was still resolutely modern in its use of new fabrics, its cookie-cutter scalloped hemlines and its mix of suede and silk. For evening, chiffon cardigans knotted nonchalantly at the midriff over light dresses contrasted with more sophisticated black dresses.

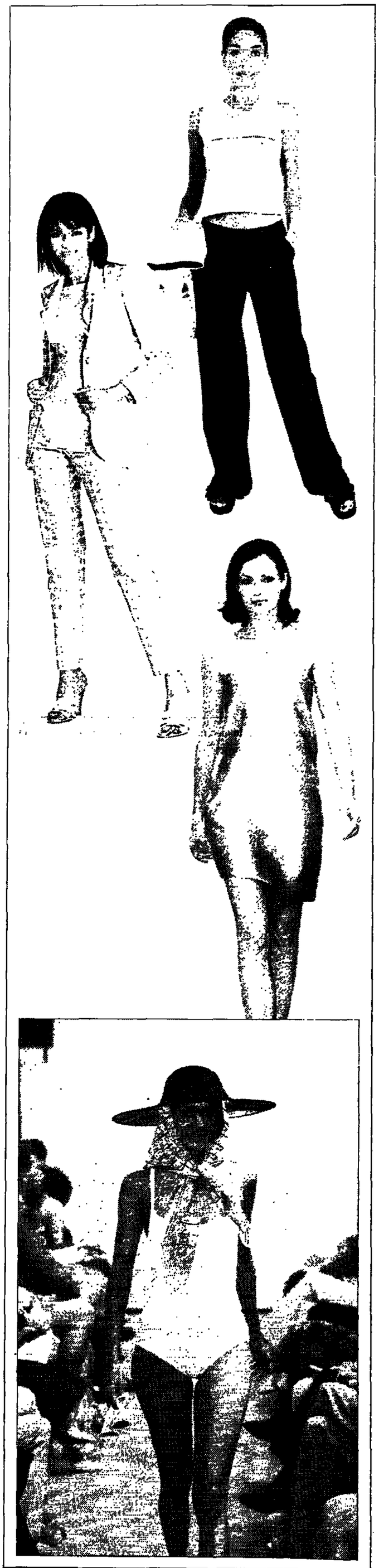
Seeing Christian Lacroix's cruise line in a small showroom was still not quite close enough to appreciate the design energy that had gone into apparently simple clothes. The imaginative fabrics needed to be touched to be understood. White foliage on an orange pantsuit was flocked in rubber; stylized flowers were printed on striped knits; subtle patterns on light fabrics were burned out and then appliquéd.

Lacroix, who designed Princess Zahra Khan's wedding gown, is known for elaborate outfits. But the cruise line showed him a master of enriched simplicity. Knitwear was strong, with shapes long and slender for tunics over pants or for skinny dresses. Evening dresses were short and sweet, but also simple, like the pistachio green satin dress, suspended from shoe-string straps and flipping saucily at the rear. A palette of orange and Aegean blue, with a touch of romance in the rose print, painted a strong and coherent vision of Lacroix's sunny world.

Sonia Rykiel was the only designer whose cruise line stuck close to the sea shore, with its sailor tops, stripey knits, bell-bottom pants and Breton berets.

"Biarritz!" said Rykiel, citing the inspiration for the show and for the pants cut with a pleat at the back of the knee "like when you bend to play boules."

The brisk and easy collection showed the best of Rykiel: jersey cardigan jackets or sweaters slopping off one shoulder contrasted with shrunken knits. They were given graphic stripes, in contrasting colors and widths. A Japanese theme, bringing kimono wrap jackets and embroidered flowers, took the image to more distant shores. But it remained as true to Rykiel's spirit as the sweater-shaped bottle of her new fragrance.



From top to bottom: Sonia Rykiel's striped sweater set and knitted cotton pants; Emanuel Ungaro's checked pantsuit and flowered top; Christian Lacroix's asymmetric satin slip dress, and Chanel's sleek swimsuit.

Kuniko Tsutsumi Tribute

International Herald Tribune

PARIS — "She was an exceptional woman, discreet and full of grace," Pierre Cardin said Monday at the memorial Mass for Kuniko Tsutsumi, who died of a cerebral hemorrhage last week at age 69.

Tsutsumi, part of the Japanese Seibu-Saison dynasty, was a familiar figure in the French fashion scene. Her passion for Europe and its style was inspired by a visit to Paris in 1956. She never left, becoming a writer, a fashion reporter and a talent scout for her brother Seiji Tsutsumi. She is credited with having pioneered the introduction of Hermes and Yves Saint Laurent to Japan in the 1960s.

The sudden death of Tsutsumi was the more shocking because it came only hours after she had signed a contract for the sale of the couture house of Jean-Louis Scherrer, which Seibu-Saison had bought in a joint venture with Hermes in 1990. This was followed two years later by the acrimonious departure of Scherrer.

The house's new owner is Groupe E.K. Finances, owner of the ready-to-wear house of Emanuelle Khanh, Hurel shoes and Jacques Fath, acquired earlier this year.

Those paying tribute included Jean-Louis Dumas, president of Hermes, Francois Lesage, the couture embroiderer, Jacques Mouclier, president of Paris couture's governing body, and Bernard Perris, current designer at the house of Scherrer.

Suzy Menkes

andover

Party in France Regret Stalinis

827 FLIGHTS EV
IN ASIA.
VEEK

No matter where you're flying to in Asia, Thai has a flight on its schedule that's sure to suit yours. And now Thai is part of the world's largest airline partnership, Star Alliance, offering the largest combined routenet in the world. Thai. Smooth as silk.

Thai

unds
unds via I
for IHT
IA

In 1997, the IHT will publish a series of Sponsored Sections in the Asia edition on:

Fast Track '97: Asia Business Outlook

For the past two years, the *"Fast Track"* series has been taking the pulse of the Asia-Pacific region and winning acclaim from readers and advertisers who feel it's one of the best of the International Herald Tribune's special section projects in Asia.

Each section in 1997 will include a variety of articles on one central theme:

- **SEPTEMBER:** The Public Sector – Privatization is not a panacea for all countries and all industries. A look at the most dynamic public-sector initiatives and at how they can successfully complement those of the private sector.
- **NOVEMBER:** Diversify or Divest? – To maximize growth, should Asian businesses focus on their core businesses or branch out? A look at recent mergers, alliances, joint ventures, reorganizations and spin-offs.

For more information about advertising in any of these sections, please contact:
Andrew Thomas, IHT Singapore. Tel (65) 223 64 78, Fax: (65) 325 08 42
or e-mail: supplements@iht.com.

Herald Tribune
THE WORLD'S DAILY NEWSPAPER

NASDAQ

Monday 3 p.m.
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Monday 4 p.m. Close
Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

Continued on Page 16

Herald INTERNATIONAL Tribune
BUSINESS/FINANCE
TUESDAY, JUNE 24, 1997

DOWNS AND UPS ON ASIAN STOCK MARKETS — Traders at the Korea Stock Exchange, left, executing orders Monday as profit-taking sent the market down 2.23 percent, but in Bangkok the market soared more than 5 percent on the appointment of a new finance minister. Reuters

Compaq to Buy Tandem for $3 Billion in Stock

Compiled by Our Staff From Dispatches

NEW YORK — Compaq Computer Corp., the world's biggest maker of personal computers, said Monday it would buy Tandem Computers Inc. for about $3 billion in stock in an effort to add high-margin products to its line.

Tandem makes so-called "fault-tolerant" computers designed to withstand a malfunction by using backup systems. Tandem computers run automated teller machines and stock exchanges, where around-the-clock performance is crucial.

The purchase expands Compaq's reach by giving it a fuller line of products to offer corporations.

It also gives Compaq, the No. 5 maker of computers of all sorts, another boost in its drive to become No. 3 behind International Business Machines Corp. and Hewlett-Packard Co. by 2000.

Bruce Stephen, head of PC research at International Data Corp., said, "To reach that they are going to have to grow into the enterprise area and have a product mix more like IBM and H-P."

To that end, Compaq, which had $4.55 billion in cash at the end of the first quarter, has been shopping for potential purchases for the past several months.

Micron Technology Inc. confirmed that it held talks with Compaq to buy its direct personal computer subsidiary, Micron Electronics Inc. Digital Equipment Corp. and Gateway 2000 Inc. are among other reported targets.

Compaq has annual sales of $18.1 billion and sells its products in more than 100 countries.

Tandem, with about 7,000 employees, had $1.99 billion in revenue last year, and Compaq said the acquisition would add to its earnings immediately.

The transaction is valued at about $22.42 for each Tandem share. Tandem stock jumped $5.875 to $20.875 in New York, and Compaq shares slipped $2.75 to $104.00.

Personal computers have become less profitable as their makers slash prices to match lower costs and spur continued demand, a model that Compaq is largely responsible for since it instigated the first price war in 1992. The higher-end machines, such as servers and workstations, are more expensive and carry much higher profit margins.

The deal would give Compaq a vast new sales force to help sell its computers to companies around the world.

Compaq, which had planned to add 2,000 salespeople of its own, instead will hire far fewer and add Tandem's 4,000 field staff, from salespeople to service managers, said John Rose, Compaq's head of enterprise computing.

Compaq, which is based in Houston, is already the No. 1 seller of servers, the powerful computers that run small networks of personal computers. But Tandem's technology is key to a Compaq drive to sell relatively inexpensive business computers for the most cumbersome tasks such as tracking inventory.

The two companies said they expected the deal to be concluded in the third quarter of this year. *(AP, Bloomberg)*

Kirch and Bertelsmann Forge Pay-TV Accord

Deal Opens Film Archives to Former Foe

By John Schmid
International Herald Tribune

FRANKFURT — The media rivals Kirch Group and Bertelsmann AG ended their two-year battle over the future of digital pay-television in Germany in a settlement Monday that threatens to severely weaken Kirch's own once-dominant digital pay-television channel.

Agreeing to wide-ranging cooperation terms with its one-time foe, the Munich-based Kirch Group also forfeited its most important strategic advantage: Kirch will open its vast film archives to Premiere, a competing cable-television channel that is tied directly to the Bertelsmann media empire.

The agreement reverses the picture from only a year ago, when Kirch's gold mine of film holdings was seen as the key to exclusive control of the potentially huge digital television sector in Germany, Europe's biggest and most hotly contested media market.

But the costs of acquiring such a coveted movie library, including German pay-television rights to nearly all future Hollywood titles, have put Kirch deeply into debt.

Meanwhile, Kirch's struggling year-old DF-1 digital TV channel has failed to attract the subscribers it needs. DF-1 GmbH, which is not profitable, has attracted only 40,000 subscribers, well short of the 300,000 that Kirch had projected in the maiden year, and well below the 1.5 million viewers at Premiere.

The accord represents a coup for Bertelsmann, which repeatedly had been outbid by Mr. Kirch in rights auctions for films and lagged in digital technology.

In a move that symbolizes the two competitors' close new relationship, both agreed to share a single set-top decoder box to unscramble the myriad digital transmissions. They will use Mr. Kirch's "d-box" decoder in deference to the massive outlays Mr. Kirch has made to develop digital technology.

Kirch outlined its strategy in a joint statement with CLT-Ufa of Luxembourg, a European television operation owned 50 percent by Bertelsmann and 50 percent by Compagnie Luxembourgeoise de Telediffusion SA. Bertelsmann has grouped its television, audiovisual and radio activities in CLT-Ufa.

Kirch and CLT-Ufa each will raise their respective stakes in Premiere to a 50 percent, aiming to achieve parity holdings through what amounts to a small reorganization of Europe's splintered pay-television markets.

It is expected that Canal Plus SA of France will give up its 37.5 percent holding in Premiere, allowing Kirch to raise his stake from 25 percent and CLT-Ufa from its current 37.5 percent. In return, Canal Plus is expected to acquire Mr. Kirch's shareholding in the Italian pay-television station Telepiu SpA.

BSkyB to Sell Digital Stake

British Sky Broadcasting Group PLC, will sell its stake in a British digital television venture, bowing to pressure from the industry regulator, Bloomberg News quoted media reports as saying.

BSkyB will sell its 33 percent stake in British Digital Broadcasting, to the group's two other partners, Carlton Communications PLC and Granada Group PLC, for £75 million ($124 million) if BDB is awarded three licenses from the Independent Television Commission, according to the media reports. The commission is responsible for ensuring that no single company wields too much power in the industry.

Spokesmen for the companies involved would not comment.

Laptop Makers to Meld Standards to Fight Big 2

Compiled by Our Staff From Dispatches

TOKYO — Some of the world's biggest computer makers, led by International Business Machines Corp., said Monday that they would develop compatible standards for low-cost, portable electronics such as laptop computers in a move to challenge Microsoft Corp. and Intel Corp.

Eleven companies, including IBM, are backing the standards: Apple Computer Inc., Netscape Communications Corp., Oracle Corp. and Sun Microsystems Inc. of the United States; Nokia AB of Finland, and Toshiba Corp., Fujitsu Ltd., Hitachi Ltd. and Mitsubishi Electric Corp. of Japan.

All are struggling for a share of a global computer market dominated by Intel's central processor chips and Microsoft's computer-operating software.

Toshiba said the standards would determine how mobile computer screens should look, how much power they need, the method of linking them with networks and the types of peripheral devices that they support.

The standards cover a new class of devices ranging from "smart" cellular telephones to lightweight, handheld mobile devices with easy access to the Internet of corporate networks.

The companies will work to provide "seamless connectivity" between mobile information terminals, and to develop security systems along with network connection speeds, Toshiba said.

Analysts said the companies would face an uphill battle.

"It's chipping away at Microsoft and Intel, but I don't think it's going to change anything in the next two years," said Reinier Dobbelmann, electronics analyst in the Tokyo office of SBC Warburg.

Hiroo Okuhara, a Toshiba director, said his company would be the first to release mobile networking computers based on the new technological standards.

An IBM vice president, Phil Hester, said that his company planned to release equipment based on the new standard over the next one to two years. *(Bloomberg, AFP)*

Thinking Ahead /Commentary

Annual China Trade Fight Hurts U.S.

By Reginald Dale
International Herald Tribune

WASHINGTON — A sure sign of the start of summer in Washington is the sound of America's political establishment shooting itself in the foot over trade with China.

The painful annual ritual starts with a presidential decision to extend most-favored-nation treatment to China for another 12 months, provoking an angry debate in Congress. After heated and damaging exchanges, the president gets his way.

Beijing's adversaries end up proving a point — that they do not have the political strength to torpedo China's trade status — which is just about the opposite of the one they intended. The president is accused of caring only about crass commercial interests.

This year passions have been running higher than ever, as an unusual coalition of conservatives, liberals, protectionists and human-rights and labor activists has sought to deny China normal access to the U.S. market.

But this time there is also a glimmer of light at the end of the tunnel. At last some people are beginning to ask the right question, which is not whether China's current trade status should be continued. It clearly should be.

Withdrawal of most-favored nation trade status would be a declaration of economic war, in which the losers would include American businesses, workers and consumers, the Chinese entrepreneurs who are weakening the bonds of the Communist system and the inhabitants of Hong Kong, whom America wants to help, not harm.

The right question is this: Given that it is in the U.S. interest to continue most-favored-nation status, what means other than trade sanctions are available to influence China's policies and mark where the limits of American tolerance lie?

The lack of those other means has been the main cause of the annual trade-status fiasco. To many who dislike Beijing's policies — whether on human rights, Hong Kong, Taiwan, weapons and nuclear proliferation or the buildup of China's armed forces — a vote against the trade status has looked like the only leverage available.

The trick: Encourage China's integration into the world economy while showing there are limits and costs to its behavior.

The problem is that most-favored-nation status has been made to carry a load it was never designed to bear. The term simply denotes a pledge that a trading partner will receive treatment "no less favorable" than the most favored nation — a guarantee of nondiscrimination essential to the construction of the open postwar trading system.

Beijing's desire to enter that system — most notably by joining the World Trade Organization — should be welcomed not rebuffed. The trick is for America to encourage China's integration into the world economy, while at the same time showing that there are limits and costs to Chinese behavior.

Suggestions from a Republican task force last week are on the right lines. They include a voluntary code of conduct for U.S. corporations in China, identification of companies linked to the Chinese military and increased funding for pro-democracy projects.

Washington should also expand its policy of penalizing specific Chinese companies and individuals who violate U.S. trade regulations or laws, for instance, on weapons proliferation.

At strategic level, Washington urgently needs to forge a common front with its allies to reduce Beijing's ability to play off Europe and Japan against the United States — for example, by rewarding countries that keep quiet about human rights with lucrative contracts.

It is also high time for the West to stem the flow of militarily applicable high technology to Beijing, and to agree not to break ranks in negotiating Chinese entry into the WTO.

Many of the same people who now oppose continuing most-favored-nation status will doubtless try to block China's WTO membership or attach unacceptable political conditions. It will help to resist those demands if America and its allies have a wider array of other levers with which to apply pressure on Beijing.

CURRENCY & INTEREST RATES

Cross Rates

June 23

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9375	3.229	1.1251	0.3754	0.115*	—	5.4515*	1.3812	1.6758*	1.3945	1.3225*
Brussels	35.65	59.185	20.636	6.114	2.1006*	18.345	—	24.7725	0.3087	25.675	24.50*
Frankfurt	1.7363	2.8831	—	0.2964	0.1022*	0.889	4.8467*	1.2013	1.4906*	1.2461	1.1849*
London (a)	1.6643	—	2.8665	9.6714	2,804.09	3.2246	59.1509	2.387	192.7851	2.312	242.831
Madrid	145.489	241.73	84.41	25.015	8.423*	75.039	4.0905	101.276	124.117*	104.631	—
Milan	1,682.34	2,803.22	971.86	290.09	—	879.87	47.435	1,376.85	14.625	1,213.35	11.596
New York (b)	—	1.6717a	1.7185	5.7995	1,683.00	1.9334	35.40	1.4335	114.87	1.3803	145.325
Paris	5.8046	9.6635	3.3744	—	0.3447*	2.9994	0.1635	4.8541	5.0416*	4.1827	3.9975*
Tokyo	115.28	190.80	66.66	19.77	0.682	58.27	3.2714	79.50	—	82.80	0.7905
Toronto	1.3809	2.2280	0.8034	0.2383	0.0825*	0.7176	0.391*	0.9609	1.2871*	—	0.8956*
Zurich	1.4327	2.3904	0.8324	0.3468	0.0851*	0.7390	4.0232*	—	1.3402*	1.0395	0.9056*
1 ECU	1.1485	0.6865	1.9659	6.6335	1,930.50	2.2117	40.5640	1.6362	131.575	1.586	165.951
1 SDR	1.3909	0.8383	2.3913	8.0834	2,345.91	2.6851	49.5855	1.9990	140.389	1.9051	202.229

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	271.78	Mex. peso	7.953	S. Afr. rand	4.499
Australian $	1.3323	Hong Kong $	7.7455	N. Zealand $	1.4652	S. Kor. won	888.10
Austrian sch.	12.116	Hung. forint	185.44	Norw. krone	7.2359	Swed. krona	7.6966
Brazil real	1.0750	Indian rupee	35.81	Phil. peso	26.37	Taiwan $	27.89
Chinese yuan	8.3295	Indo. rupiah	2430.38	Polish zloty	3.24	Thai baht	25.70
Czech koruna	32.82	Irish £	0.6612	Port. escudo	173.58	Turkish lira	145550.
Danish krone	6.5584	Israeli shek.	3.4329	Russ ruble	5760.5	UAE dirham	3.6710
Egypt. pound	3.3952	Kuw dinar	0.30	Saudi riyal	3.75	Venez. boliv.	484.80
Fin. markka	5.1460	Malay. ringg.	2.5153	Sing. $	1.4285		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6640	1.6625	1.6610	Japanese yen	114.79	114.27	113.76
Canadian dollar	1.3863	1.3833	1.3803	Swiss franc	1.4285	1.4231	1.4178
Deutsche mark	1.7184	1.7146	1.7107				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

June 23

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 9/16 - 5 11/16	3 - 3 1/8	1 1/8 - 1 1/4	6 9/16 - 6 11/16	3 1/16 - 3 3/16	1/2 - 5/8	4 - 4 1/8
3-month	5 3/4 - 5 7/8	3 - 3 1/8	1 1/2 - 1 5/8	6 5/8 - 6 3/4	3 1/4 - 3 3/8	1/2 - 5/8	4 1/16 - 4 3/16
6-month	5 3/4 - 5 15/16	3 1/16 - 3 1/4	1 9/16 - 1 11/16	6 7/8 - 6 15/16	3 5/16 - 3 7/16	5/8 - 3/4	4 1/8 - 4 1/4
1-year	5 15/16 - 6 1/16	3 3/16 - 3 5/16	1 3/4 - 1 7/8	7 1/8 - 7 1/4	3 5/8 - 3 3/4	3/4 - 7/8	4 3/8 - 4 1/2

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 9/16	5 5/8
90-day CDs dealers	5.66	5.66
180-day CP dealers	5.55	5.55
3 month Treasury bill	5.02	4.94
1-year Treasury bill	5.35	5.33
2-year Treasury bill	6.00	5.97
5-year Treasury note	6.29	6.25
7-year Treasury note	6.33	6.30
10-year Treasury note	6.39	6.35
30-year Treasury bond	6.68	6.65
Merrill Lynch 30-day RA	5.05	5.05
Japan		
Discount rate	0.50	0.50
Call money	0.43	0.46
1-month interbank	0.55	0.55
3-month interbank	0.57	0.57
6-month interbank	0.65	0.65
10-year Govt bond	2.62	2.63
Germany		
Lombard rate	4.50	4.50
Call money	3.05	3.05
1-month interbank	3.10	3.10
3-month interbank	3.13	3.13
6-month interbank	3.17	3.17
10-year Bund	5.70	5.71

Britain		
Bank base rate	6 1/2	6 1/2
Call money	6 5/16	6 5/16
1-month interbank	6 9/16	6 1/2
3-month interbank	6 3/4	6 11/16
6-month interbank	6 15/16	6 7/8
10-year Gilt	7.17	7.15
France		
Intervention rate	3.10	3.10
Call money	3 5/16	3 5/16
1-month interbank	3 1/4	3 1/4
3-month interbank	3 5/16	3 5/16
6-month interbank	3 3/8	3 3/8
10-year OAT	5.78	5.78

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

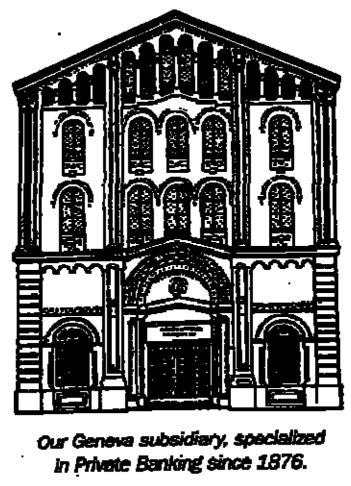
	A.M.	P.M.	Ch'ge
Zurich	337.55	338.15	+0.65
London	336.95	336.91	−1.29
New York	339.10	341.10	+1.70

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Aug.)
Source: Reuters.

PRIVATE BANKING

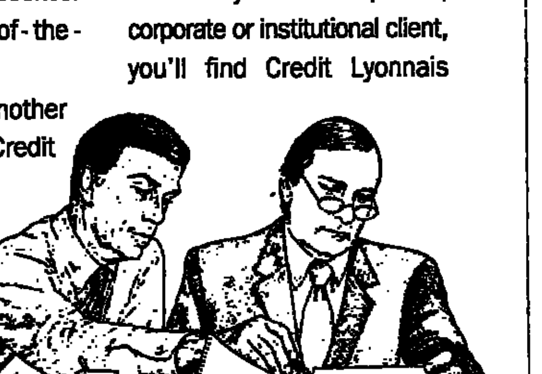
You've got the vision.
We've got the know-how.

You see things for what they are. And also for what they could be.
It's the kind of vision that ignites and fuels the entrepreneurial spirit.
We at Credit Lyonnais Private Banking share this vision. And, equally important, we have the knowledge, specialized products and services to help you get where you want to go.



Our Geneva subsidiary, specialized in Private Banking since 1876.

We've gained unrivaled, in-depth experience from our group's worldwide presence. Even in the most out-of-the-way countries.
But there is yet another key dimension to Credit Lyonnais Private Banking strength. From the time we opened our first office in Switzerland, 120 years ago, our history has revolved around durable, personal relationships, based on dialogue and attention to detail.
We listen first... and then respond with speed, efficiency and a total commitment to providing the precise solution for your demands. From trade financing and international logistical support to portfolio management, financial instruments and precious metals. Whether you are a private, corporate or institutional client, you'll find Credit Lyonnais Private Banking can anticipate and serve your needs through close partnerships built on trust and vast resources.
Together, these two dimensions create something unique in Credit Lyonnais Private Banking.



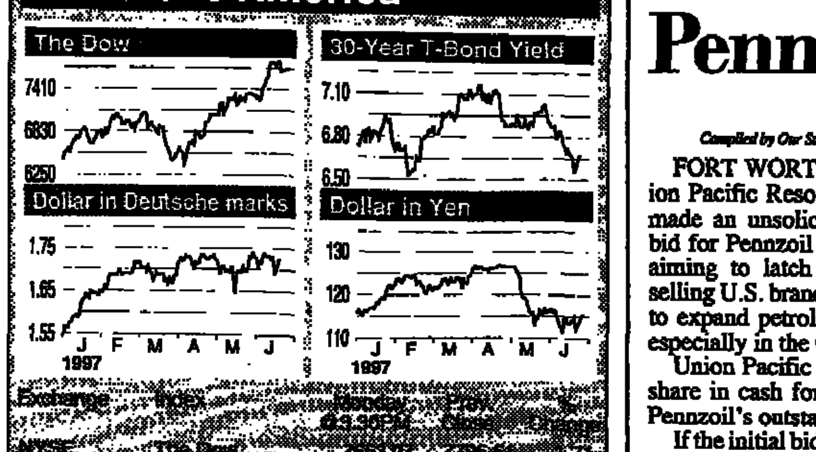
Let's talk.

CL CREDIT LYONNAIS

PRIVATE BANKING NETWORK:
SWITZERLAND: GENEVA TEL. 41 22/705 66 66 - HEADQUARTERS FOR CREDIT LYONNAIS INTERNATIONAL PRIVATE BANKING
BASLE TEL. 41 61/284 22 22 - ZURICH TEL. 41 1/217 86 86 - LUGANO TEL. 41 91/923 51 65
PARIS TEL. 33 1/42 95 03 05 - LUXEMBOURG TEL. 352/476 831 442 - LONDON TEL. 44 171/499 91 46
MONACO TEL. 377/93 15 73 34 - VIENNA TEL. 431/531 50 120 - MONTEVIDEO TEL. 598 2/95 08 67 - MIAMI TEL. 1 305/375 78 14
HONG KONG TEL. 852/28 02 28 88 - SINGAPORE TEL. 65/535 94 77

THE AMERICAS

Investor's America



Exchange	Index	Monday @3:30 P.M.	Prev. Close	% Change
NYSE	The Dow	[illegible]	[illegible]	[illegible]
NYSE	S&P 500	[illegible]	898.70	[illegible]
NYSE	S&P 100	867.95	876.76	-0.97
NYSE	Composite	[illegible]	467.84	[illegible]
U.S.	Nasdaq Composite	[illegible]	1447.10	[illegible]
AMEX	Market Value	[illegible]	[illegible]	[illegible]
Toronto	TSE Index	[illegible]	[illegible]	[illegible]
São Paulo	Bovespa	[illegible]	[illegible]	[illegible]
Mexico City	Bolsa	[illegible]	[illegible]	[illegible]
Buenos Aires	Merval	[illegible]	[illegible]	[illegible]
Santiago	IPSA General	[illegible]	[illegible]	[illegible]
Caracas	Capital General	[illegible]	[illegible]	[illegible]

Source: Bloomberg, Reuters — International Herald Tribune

Pennzoil Gets $6.4 Billion Bid

Compiled by Our Staff From Dispatches

FORT WORTH, Texas — Union Pacific Resources Group Inc. made an unsolicited $6.4 billion bid for Pennzoil Co. on Monday, aiming to latch on to the best-selling U.S. brand of motor oil and to expand petroleum exploration, especially in the Gulf of Mexico.

Union Pacific is offering $84 a share in cash for 50.1 percent of Pennzoil's outstanding shares.

If the initial bid succeeds, Union Pacific will offer $84 in stock for the remaining shares of Pennzoil, a move that would be tax-free to investors. Union Pacific will use bank loans to finance the cash portion of the bid and will assume Pennzoil's debt if the bid succeeds.

Union Pacific said that the combined company would lead the industry in a number of performance measures, including drilling activity, production and cash flow.

Pennzoil, which is based in Houston, said it would review the offer and reply before July 7.

Pennzoil rejected a bid of $80 a share made June 10, Union Pacific said. The latest offer, which values the company's stock at about $4.2 billion, is a 41 percent premium to Pennzoil's closing share price of $59.625 on Friday.

Pennzoil's stock price soared $18.875 to $77.625, and Union Pacific's share price slipped $1 to $25.375.

Shawn Brennan, an analyst with Merrill Lynch & Co. said the increased bid "would probably thwart anybody else from coming in and offering an even higher price."

As part of its bid, Union Pacific filed lawsuits to remove some of Pennzoil's extensive barriers to a hostile takeover.

A suit filed in a Delaware court asks that Pennzoil's poison-pill shareholder-rights plan be overturned; a federal suit filed in Baton Rouge, Louisiana, seeks to have any attempt to apply Louisiana's anti-takeover laws to the Pennzoil offer declared unconstitutional, and a federal suit filed in Fort Worth, Texas, asks that Union Pacific's tender-offer documents be declared legally acceptable.

Union Pacific's chairman, Jack Messman, made public letters that he had sent to Pennzoil's chairman and chief executive, James Pate, that accused him of refusing to talk about an acquisition.

In an interview, Mr. Messman said that Union Pacific would boost Pennzoil's oil production by 9 percent a year for the "foreseeable future" and would add about 9 percent a year to cash flow a share in the first year.

The transaction would be financed with $2.1 billion in bank borrowings and would involve $2.1 billion in common stock and $2.2 billion in assumed debt, Mr. Messman said. *(Bloomberg, Reuters)*

Hashimoto's Remarks Unsettle Wall Street

Compiled by Our Staff From Dispatches

NEW YORK — Stocks fell sharply Monday as an increase in bond yields gave investors an excuse to secure some profits after last week's record-setting rally.

Treasury bond yields rose after Prime Minister Ryutaro Hashimoto of Japan threatened to sell U.S. Treasury bonds and purchase gold. Rising interest rates make it more expensive for companies to finance their business.

Tobacco and aerospace issues led the decline in stocks, but a spate of mergers and acquisitions pushed computer and U.S. oil shares higher, tempering the loss.

The Dow Jones industrial average fell 192.25 points, to 7,604.26. Declining issues outnumbered advancing ones on the New York Stock Exchange by a 2-to-1 ratio.

"The market is entitled to some rest and recuperation after the rally it has had," said Alfred Kugel, chief investment strategist at Stein Roe & Farnham, a fund management firm. The Dow had risen 6 percent so far in June before Monday's decline.

The Nasdaq composite index slipped 12.77 points, to 1,434.33, and the Standard & Poor's 500-stock index fell 20.08 points to 878.62.

Philip Morris stock fell 2⅝ to 42⅞ on concern that the $368.5 billion U.S. settlement reached last week could spur similar actions overseas. Other tobacco issues also fell on the settlement, as did insurance companies.

Companies involved in the civilian aircraft industry, such as Boeing, United Technologies, McDonnell Douglas and AlliedSignal, dropped after a Chinese aviation official predicted that growth in the Chinese aviation industry would slow to an average of 8 percent to 10 percent annually from the current average of between 10 percent and 12 percent.

Meanwhile, James McDonnell III, the son of a McDonnell Douglas founder, said he planned to oppose the company's acquisition by Boeing because the combined company will not bear his family name.

The price of the benchmark 30-year Treasury bond dropped 11/32 to 99 6/32 on Mr. Hashimoto's comments, bringing the yield up to 6.69 percent from 6.65 percent Friday.

Speaking at Columbia University in New York City, Mr. Hashimoto said the United States must help Japan keep exchange rates stable. He threatened to sell Treasury bonds if the dollar-yen exchange rate remains volatile.

"I hope the U.S. will engage in efforts and cooperation to maintain exchange stability," Mr. Hashimoto said, "so that we would not succumb to this temptation to sell off Treasury bills and switch our foreign reserves to gold."

He added that Japan had been tempted to sell U.S. securities on several occasions in the past, most recently during the 1995 auto talks between Washington and Tokyo.

A spate of mergers and acquisitions kept stocks from dropping further, Compaq Computer agreed to buy Tandem Computers for $3 billion, sending stock in computer makers higher.

The offer by Union Pacific Resources to buy Pennzoil for $84 a share helped oil stocks rally.

Insurance stocks were among the biggest decliners. American International Group, Chubb, Cigna and General Re all fell. But Michael Smith, an analyst at Salomon Brothers, said speculation about big insurance payouts to tobacco companies was misguided.

"The antagonists don't want anyone to come along and help the tobacco companies out," he said.

Shares in Cisco Systems rose after Alcatel Alsthom SA of France said it signed an agreement with the computer networking company to combine their expertise in Internet access software and telecommunications networks.

American National Bancorp shares rose after Crestar Financial agreed to acquire the holding company for American National Savings Bank for $20.25 a share, or $72.9 million. *(Bloomberg, AP)*

U.S. STOCKS

Very briefly:

• **Paxson Communications Corp.** said it would sell its radio stations, billboards and two minor-league sports teams to **Clear Channel Communications Corp.** for $693 million. Paxson wants to focus on turning its 55 television stations into America's seventh broadcast network.

• The U.S. Supreme Court ruled that a group of **Lloyd's of London** investors, or Names, must pursue securities fraud complaints against the insurer in Britain, not in the United States.

• **CNET Inc.** plans to start an on-line service that can be licensed by airlines, brokerages or any other companies that want to provide Internet access. License holders for the service, Snap! Online, would get exclusive advertising space.

• **Whitman Corp.** said it would spin off its **Hussmann Corp.** refrigeration unit and **Midas International** muffler unit to shareholders, allowing the company to focus on its soft-drink bottling operation, **Pepsi-Cola General Bottlers Inc.**

• **Dime Bancorp Inc.** of New York said it agreed to buy **North American Mortgage Co.** of Santa Rosa, California, for $374 million in stock. *(Bloomberg, AP)*

Eli Lilly to Write Down $2.4 Billion

Compiled by Our Staff From Dispatches

INDIANAPOLIS — Eli Lilly & Co. said Monday it would take a $2.4 billion charge against second-quarter earnings to write down the value of its PCS Health Systems Inc. pharmacy-benefits unit.

The write-down amounts to 58 percent of the $4.1 billion Lilly paid for PCS in 1994. The charge, which amounts to $4.40 a share, would lead to losses for the quarter and for the full year, but would bolster earnings by 1998.

Lilly bought PCS from McKesson Corp. as an outlet for selling its drugs. At the time, Lilly feared that President Bill Clinton's health-care reform effort would concentrate buying power in the hands of managed-care companies and encourage doctors to prescribe the lowest-price treatment or generic drugs rather than brand-name products. That did not happen.

"It seemed a bigger risk at the time not to get into pharmacy benefit management," said Mario Corso, an analyst at Rodman & Renshaw Inc. in Boston.

Lilly shares closed $3.25 lower on Monday to $107.125.

Pharmacy-benefits managers like PCS negotiate low prices from drug companies, then sell the drugs in bulk to health-insurance plans. Lilly has had a harder time than its rivals in making the arrangement work, in part because PCS's biggest business has been processing pharmaceutical claims rather than discounting drugs.

Securities analysts have increasingly criticized the purchase as an expensive blunder that has failed to bear fruit. But Golden said Lilly's strategy still calls for PCS to play a role. *(AP, Bloomberg)*

Pound Soars to 5-Year High Against Mark

Bloomberg News

NEW YORK — The British pound rose to a five-year high against the Deutsche mark and surged against the dollar on Monday on speculation that British interest rates may soon rise.

Prime Minister Ryutaro Hashimoto of Japan, meanwhile, knocked the dollar from the day's highs against the yen after he said Japan might sell U.S. Treasury bonds and buy gold if exchange rates remained volatile.

Talk of high British rates gained momentum after The Sunday Times of London said the central bank was under pressure to raise its base lending rate by half a percentage point.

"Speculation over the weekend that the Bank of England would increase interest rates is making sterling look good," said Chris Iggo, currency strategist at Barclays Bank. "Whether they raise rates by a quarter or half a percentage point, they're almost definitely going to tighten again."

The pound climbed as high as 2.8762 DM, its highest since reaching 2.8780 DM on July 10, 1992. In New York, the pound rose to 2.8741 DM from 2.8642 DM Friday.

Last week, a series of economic reports showed growing demand for British-made products, rising retail sales and an increase in the money supply. The Bank of England raised its base rate half a percentage point on May 6 to 6.50 percent to rein in the economy and keep inflation at bay.

A report due this month is expected to show the British economy grew 0.9 percent in the first quarter, faster than the 0.8 percent rise forecast.

In 4 P.M. trading in New York, the pound rose to $1.6717 from $1.6565 on Friday.

The dollar fell to 1.7185 Deutsche marks from 1.7276 DM the previous trading day.

The U.S. currency fell to 114.870 yen from 114.875. The dollar slipped to 5.7975 French francs from 5.8265, and to 1.4315 Swiss francs from 1.4385 francs.

FOREIGN EXCHANGE

Weekend Box Office

The Associated Press

LOS ANGELES — "Batman & Robin" dominated the U.S. box office over the weekend, with a gross of $43.6 million. Following are the Top 10 moneymakers, based on Friday's ticket sales and estimated sales for Saturday and Sunday.

1. Batman & Robin	(Warner Bros.)	$43.6 million
2. My Best Friend's Wedding	(Tristar Pictures)	$21.5 million
3. Con Air	(Touchstone Pictures)	$10.2 million
4. The Lost World: Jurassic Park	(Universal)	$8 million
5. Speed 2: Cruise Control	(Twentieth Century-Fox)	$7.2 million
6. Austin Powers	(New Line Cinema)	$1.4 million
7. Gone Fishin'	(Hollywood Pictures)	$1.2 million
8. Addicted to Love	(Warner Bros.)	$0.9 million
8. The Fifth Element	(Columbia Pictures)	$0.9 million
10. Buddy	(Jim Henson Pictures)	$0.82 million

AMEX

Monday 3 p.m.

The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	379	[illegible]	[illegible]	[illegible]	[illegible]
ARC	154	[illegible]	[illegible]	[illegible]	[illegible]
ARM Fn n	5715	[illegible]	[illegible]	[illegible]	[illegible]
ATT Fd	119	[illegible]	[illegible]	[illegible]	[illegible]
AVIC Gp n	236	[illegible]	[illegible]	[illegible]	[illegible]
AdvMag	136	[illegible]	[illegible]	[illegible]	[illegible]
Aerosan	180	[illegible]	[illegible]	[illegible]	[illegible]
AirWat	1639	[illegible]	[illegible]	[illegible]	[illegible]
Alamco	95	[illegible]	[illegible]	[illegible]	[illegible]
AHoogen	93	[illegible]	[illegible]	[illegible]	[illegible]
Alfin	149	[illegible]	[illegible]	[illegible]	[illegible]
AllouH	446	[illegible]	[illegible]	[illegible]	[illegible]
Alpholn	93	[illegible]	[illegible]	[illegible]	[illegible]
AltLivng n	409	[illegible]	[illegible]	[illegible]	[illegible]
Amdhl	654	[illegible]	[illegible]	[illegible]	[illegible]
AExpl	350	14	[illegible]	14	+1
Am List	389	[illegible]	29	29	[illegible]
AmerPag	215	[illegible]	[illegible]	[illegible]	[illegible]
AREInv	77	[illegible]	[illegible]	[illegible]	[illegible]
AmShrd	1096	[illegible]	1	[illegible]	[illegible]
ATechC	291	[illegible]	[illegible]	[illegible]	[illegible]
Ampal	213	[illegible]	[illegible]	6	[illegible]
Ampex	1201	6	[illegible]	[illegible]	[illegible]
Andrea	172	[illegible]	[illegible]	[illegible]	[illegible]
AppleOrt n	227	[illegible]	[illegible]	[illegible]	[illegible]
AstLiving	583	[illegible]	[illegible]	[illegible]	[illegible]
AllTele	74	[illegible]	[illegible]	[illegible]	[illegible]
Audvox	9735	[illegible]	[illegible]	8	[illegible]
Autotote	153	[illegible]	[illegible]	[illegible]	[illegible]
AvivaPet	70	[illegible]	2	[illegible]	[illegible]
Azco	711	[illegible]	[illegible]	[illegible]	[illegible]
B&HO	118	[illegible]	[illegible]	[illegible]	[illegible]
BAT Ind	1031	[illegible]	[illegible]	[illegible]	[illegible]
BadgrM s	83	31	29	[illegible]	[illegible]
Baldw	327	[illegible]	[illegible]	3	[illegible]
BT daoO	69	[illegible]	[illegible]	[illegible]	[illegible]
BarrLab s	837	[illegible]	[illegible]	[illegible]	[illegible]
BSJpn wt	175	[illegible]	[illegible]	[illegible]	[illegible]
BeardCo	113	[illegible]	[illegible]	[illegible]	[illegible]
BemaGold	3917	[illegible]	[illegible]	[illegible]	[illegible]
BioR A	94	[illegible]	[illegible]	[illegible]	[illegible]
BlarCp	641	[illegible]	[illegible]	[illegible]	[illegible]
BlondT	419	[illegible]	[illegible]	[illegible]	[illegible]
Bowne	606	[illegible]	[illegible]	32	[illegible]
Brandyw s	770	[illegible]	[illegible]	[illegible]	[illegible]
BrilDgn n	425	[illegible]	[illegible]	[illegible]	[illegible]
CFX Cp	356	[illegible]	[illegible]	[illegible]	[illegible]
CIM	214	[illegible]	[illegible]	[illegible]	[illegible]
Cablvsn	1579	[illegible]	[illegible]	[illegible]	[illegible]
Cablvs pf	1480	[illegible]	27	[illegible]	[illegible]
Cabletel g	94	[illegible]	[illegible]	[illegible]	[illegible]
Calton	744	[illegible]	[illegible]	[illegible]	[illegible]
Cambior	351	[illegible]	[illegible]	[illegible]	[illegible]
Cambrx s	83	[illegible]	[illegible]	[illegible]	[illegible]
CdnOcc g	3010	[illegible]	[illegible]	[illegible]	[illegible]
CanvanRs	349	[illegible]	[illegible]	[illegible]	[illegible]
Cardatch	454	[illegible]	[illegible]	[illegible]	[illegible]
CarverBcp	72	[illegible]	[illegible]	[illegible]	[illegible]
CastlAM	219	[illegible]	[illegible]	[illegible]	[illegible]
CelSci	579	[illegible]	[illegible]	[illegible]	[illegible]
CFCda g	307	[illegible]	[illegible]	[illegible]	[illegible]
ChadThr	379	[illegible]	[illegible]	[illegible]	[illegible]
Chief	242	[illegible]	[illegible]	[illegible]	[illegible]
Citadel	188	[illegible]	[illegible]	[illegible]	[illegible]
Citizinc	83	[illegible]	[illegible]	[illegible]	[illegible]
Cognitrn	118	[illegible]	[illegible]	[illegible]	[illegible]
CollLb	1289	[illegible]	[illegible]	[illegible]	[illegible]
Comforce	100	[illegible]	[illegible]	[illegible]	[illegible]
CmdrA wt	3233	[illegible]	[illegible]	[illegible]	[illegible]
CmpMan	83	14	[illegible]	[illegible]	[illegible]
Comptek	282	8	[illegible]	[illegible]	[illegible]
Continucre	342	[illegible]	[illegible]	[illegible]	[illegible]
CnvstE	310	[illegible]	[illegible]	[illegible]	[illegible]
CornCor n	535	17	[illegible]	[illegible]	[illegible]
Cross	319	[illegible]	[illegible]	[illegible]	[illegible]
CrnCP	341	14	[illegible]	[illegible]	[illegible]
Cycomm	145	[illegible]	[illegible]	[illegible]	[illegible]
DI Ind	1031	4	[illegible]	4	[illegible]
DairyA	87	6	[illegible]	[illegible]	[illegible]
ecDalG	117	[illegible]	[illegible]	[illegible]	[illegible]
Daxamet	128	[illegible]	[illegible]	[illegible]	[illegible]
DevnE	150	[illegible]	[illegible]	[illegible]	[illegible]
DiagRet	137	[illegible]	[illegible]	[illegible]	[illegible]
DigiCT	279	[illegible]	[illegible]	[illegible]	[illegible]
DigPwr n	445	[illegible]	[illegible]	[illegible]	[illegible]
DbnTic	197	[illegible]	[illegible]	[illegible]	[illegible]
EZ Serv	170	[illegible]	[illegible]	[illegible]	[illegible]
EchoBay	5956	[illegible]	[illegible]	[illegible]	[illegible]
Edisto	934	[illegible]	[illegible]	[illegible]	[illegible]
ElPasoE	279	7	[illegible]	7	[illegible]
Elswth	72	[illegible]	[illegible]	[illegible]	[illegible]
Emeritus	131	[illegible]	[illegible]	[illegible]	[illegible]
EmgR	288	[illegible]	[illegible]	[illegible]	[illegible]
EmpCar	415	[illegible]	[illegible]	[illegible]	[illegible]
EnzoBi	798	[illegible]	[illegible]	[illegible]	[illegible]
Equisure n	621	[illegible]	[illegible]	[illegible]	[illegible]
EtzLv A	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FarmTol s	118	[illegible]	[illegible]	[illegible]	[illegible]
FormT wtA	120	[illegible]	[illegible]	[illegible]	[illegible]
FormT wtB	90	[illegible]	[illegible]	[illegible]	[illegible]
FemHlth	114	[illegible]	[illegible]	[illegible]	[illegible]
Fibrbd	738	[illegible]	[illegible]	[illegible]	[illegible]
FtAust	615	[illegible]	[illegible]	[illegible]	[illegible]
FAusPr	1844	[illegible]	[illegible]	[illegible]	[illegible]
Fiber	549	[illegible]	[illegible]	[illegible]	[illegible]
FstfedA n	113	[illegible]	[illegible]	[illegible]	[illegible]
FarstCA s	159	[illegible]	[illegible]	[illegible]	[illegible]
FarstLb	486	[illegible]	[illegible]	[illegible]	[illegible]
FortPet	518	[illegible]	[illegible]	[illegible]	[illegible]
FrnkSel	88	6	6	6	[illegible]
FreqEl	215	[illegible]	[illegible]	13	[illegible]
GST Tele	3552	[illegible]	[illegible]	[illegible]	[illegible]
GamaB	96	[illegible]	[illegible]	[illegible]	[illegible]
GayICn	530	[illegible]	8	[illegible]	[illegible]
Gencor s	149	[illegible]	[illegible]	[illegible]	[illegible]
GnAuto	132	[illegible]	[illegible]	[illegible]	[illegible]
GnEmp	162	[illegible]	12	12	[illegible]
GenvDr	491	21	[illegible]	[illegible]	[illegible]
GetchGld	716	[illegible]	37	[illegible]	[illegible]
GiantFd	433	[illegible]	[illegible]	[illegible]	[illegible]
Glatfl	265	[illegible]	[illegible]	[illegible]	[illegible]
Globlink	204	[illegible]	[illegible]	[illegible]	[illegible]
GoVideo	477	[illegible]	[illegible]	[illegible]	[illegible]
GldStarR	1781	[illegible]	[illegible]	[illegible]	[illegible]
Graham s	95	[illegible]	[illegible]	[illegible]	[illegible]
GreyhndL	1078	[illegible]	[illegible]	[illegible]	[illegible]
GrSimec	120	[illegible]	[illegible]	[illegible]	[illegible]
HalterM n	440	25	[illegible]	[illegible]	[illegible]
HarsOr	156	[illegible]	[illegible]	[illegible]	[illegible]
HanvDir	191	[illegible]	[illegible]	[illegible]	[illegible]
Harken	4348	6	[illegible]	[illegible]	[illegible]
Hasbro s	4023	[illegible]	[illegible]	[illegible]	[illegible]
HawAir	618	5	[illegible]	[illegible]	[illegible]
HlthPro	105	[illegible]	[illegible]	[illegible]	[illegible]
Hearx	2670	[illegible]	[illegible]	[illegible]	[illegible]
HomeVW n	78	17	[illegible]	17	[illegible]
Handa	158	[illegible]	[illegible]	[illegible]	[illegible]
HovnEn	114	[illegible]	[illegible]	[illegible]	[illegible]
Identix	535	[illegible]	[illegible]	[illegible]	[illegible]
ImpCMtg	219	[illegible]	[illegible]	[illegible]	[illegible]
ImpOil g	220	51	[illegible]	[illegible]	[illegible]
Instran	618	14	[illegible]	[illegible]	[illegible]
IntegTc wl	260	[illegible]	[illegible]	[illegible]	[illegible]
InfiaSys	93	5	[illegible]	[illegible]	[illegible]
InCPld	1641	[illegible]	[illegible]	[illegible]	[illegible]
IntlFinSv s	133	[illegible]	[illegible]	[illegible]	[illegible]
IntrDig	1991	[illegible]	5	[illegible]	[illegible]
acInnine	363	[illegible]	[illegible]	[illegible]	[illegible]
Intrmagn	300	[illegible]	[illegible]	[illegible]	[illegible]
IRIS	182	[illegible]	[illegible]	[illegible]	[illegible]
IntThrgh	108	[illegible]	[illegible]	[illegible]	[illegible]
IonLaser	191	[illegible]	[illegible]	[illegible]	[illegible]
IvaxCp	3335	11	[illegible]	[illegible]	[illegible]
JTS Corp	6424	[illegible]	[illegible]	[illegible]	[illegible]
KV Ph B	155	[illegible]	[illegible]	17	[illegible]
KV Ph A	373	[illegible]	[illegible]	[illegible]	[illegible]
KatzM	1022	[illegible]	6	[illegible]	[illegible]
Keane s	555	[illegible]	[illegible]	[illegible]	[illegible]
KeyEng	300	[illegible]	[illegible]	[illegible]	[illegible]
KogrEq	193	[illegible]	[illegible]	[illegible]	[illegible]
LXR Biot	280	[illegible]	[illegible]	[illegible]	[illegible]
LaBarg	210	6	[illegible]	6	[illegible]
MSB Bcp	153	[illegible]	[illegible]	[illegible]	[illegible]
Magicwk n	99	[illegible]	[illegible]	[illegible]	[illegible]
MagHn wt	159	[illegible]	[illegible]	[illegible]	[illegible]
MagnHunt	915	[illegible]	[illegible]	[illegible]	[illegible]
MalbuEnt	257	[illegible]	[illegible]	[illegible]	[illegible]
MaximPh n	187	[illegible]	[illegible]	9	[illegible]
MeasSpcl	73	[illegible]	[illegible]	[illegible]	[illegible]
Media	144	[illegible]	34	[illegible]	[illegible]
MediaLog	431	[illegible]	[illegible]	[illegible]	[illegible]
Media	325	[illegible]	8	8	[illegible]
Medtox	105	[illegible]	[illegible]	[illegible]	[illegible]
MercAir s	69	[illegible]	[illegible]	[illegible]	[illegible]
ML Hi01 n	182	[illegible]	[illegible]	[illegible]	[illegible]
Meteor n	733	[illegible]	[illegible]	[illegible]	[illegible]
Meteor wt	242	[illegible]	[illegible]	[illegible]	[illegible]
Metrikan	1610	[illegible]	[illegible]	[illegible]	[illegible]
Metromda	827	[illegible]	[illegible]	[illegible]	[illegible]
MidABc	106	[illegible]	[illegible]	[illegible]	[illegible]
Millennia	286	[illegible]	[illegible]	[illegible]	[illegible]
Munlin	79	[illegible]	[illegible]	[illegible]	[illegible]
Munvst	119	[illegible]	9	[illegible]	[illegible]
Myersind	73	[illegible]	[illegible]	[illegible]	[illegible]
NTNCom	1906	[illegible]	[illegible]	[illegible]	[illegible]
Nabors	864	[illegible]	[illegible]	23	[illegible]
NtPatnt	643	[illegible]	[illegible]	[illegible]	[illegible]
NY Times	1194	[illegible]	[illegible]	[illegible]	[illegible]
Nedstaff n	220	[illegible]	[illegible]	18	[illegible]
Norex wt	77	[illegible]	[illegible]	[illegible]	[illegible]
NA Vacc	401	[illegible]	[illegible]	[illegible]	[illegible]
Novavx	178	[illegible]	[illegible]	4	[illegible]
Ngtor n	154	[illegible]	[illegible]	[illegible]	[illegible]
OSulivnC	1254	[illegible]	[illegible]	[illegible]	[illegible]
OmniMult	198	[illegible]	[illegible]	[illegible]	[illegible]
Oncor	368	4	[illegible]	[illegible]	[illegible]
Oncormd	125	[illegible]	[illegible]	[illegible]	[illegible]
Organgn s	574	[illegible]	20	20	[illegible]
PC Quote	794	[illegible]	[illegible]	[illegible]	[illegible]
PLC Sys	512	18	[illegible]	[illegible]	[illegible]
PMC	96	[illegible]	[illegible]	[illegible]	[illegible]
PacR&E	76	3	[illegible]	[illegible]	[illegible]
PamHld	70	[illegible]	[illegible]	[illegible]	[illegible]
PanAmC n	146	[illegible]	[illegible]	[illegible]	[illegible]
PaxsnC	16455	[illegible]	[illegible]	[illegible]	[illegible]
PegGld	1598	[illegible]	[illegible]	[illegible]	[illegible]
PeopleTel	986	[illegible]	[illegible]	[illegible]	[illegible]
PhxNet	3363	[illegible]	3	[illegible]	[illegible]
Phonetel	114	3	[illegible]	3	[illegible]
PinRsc	710	[illegible]	[illegible]	[illegible]	[illegible]
Polymed	598	[illegible]	8	[illegible]	[illegible]
Polyph	545	[illegible]	[illegible]	[illegible]	[illegible]
PremrBs s	79	[illegible]	[illegible]	[illegible]	[illegible]
PredLg	1373	[illegible]	24	24	[illegible]
ProCm	524	[illegible]	[illegible]	8	[illegible]
PropCT s	267	[illegible]	[illegible]	[illegible]	[illegible]
Prvena	101	[illegible]	[illegible]	[illegible]	[illegible]
PsycCo	450	[illegible]	[illegible]	[illegible]	[illegible]
PbSl16	98	[illegible]	[illegible]	[illegible]	[illegible]
QC Opt n	164	[illegible]	[illegible]	[illegible]	[illegible]
RF Pow	878	[illegible]	[illegible]	4	[illegible]
ResGold	325	[illegible]	[illegible]	[illegible]	[illegible]
Ratac	955	[illegible]	[illegible]	[illegible]	[illegible]
RegalBel	619	26	[illegible]	26	[illegible]
RivieraT n	249	[illegible]	[illegible]	[illegible]	[illegible]
RobertsPh	225	[illegible]	[illegible]	[illegible]	[illegible]
RoyalO g	1690	[illegible]	[illegible]	[illegible]	[illegible]
SaboPet s	366	[illegible]	[illegible]	[illegible]	[illegible]
Selfcare n	555	[illegible]	11	[illegible]	[illegible]
SentryT n	528	[illegible]	[illegible]	[illegible]	[illegible]
Sentry pf	287	[illegible]	[illegible]	[illegible]	[illegible]
ShefldMd	126	[illegible]	[illegible]	[illegible]	[illegible]
SpniTech	71	[illegible]	[illegible]	[illegible]	[illegible]
SloanSup	91	[illegible]	[illegible]	[illegible]	[illegible]
ecSoligen	625	[illegible]	[illegible]	[illegible]	[illegible]
SportsClb	114	5	[illegible]	5	[illegible]
SPDR	16482	[illegible]	[illegible]	[illegible]	[illegible]
SP Mid	330	[illegible]	[illegible]	[illegible]	[illegible]
StilwtrM	389	[illegible]	[illegible]	[illegible]	[illegible]
StrCmp	152	[illegible]	[illegible]	[illegible]	[illegible]
SubstAbus	816	[illegible]	[illegible]	[illegible]	[illegible]
Sulcus	79	[illegible]	[illegible]	[illegible]	[illegible]
SumtTy	143	[illegible]	[illegible]	[illegible]	[illegible]
SunCiv	168	[illegible]	[illegible]	[illegible]	[illegible]
Suprmind	164	[illegible]	[illegible]	8	[illegible]
SuratyC	152	[illegible]	[illegible]	[illegible]	[illegible]
SwingNSl	187	[illegible]	[illegible]	[illegible]	[illegible]
TeinR	93	[illegible]	[illegible]	[illegible]	[illegible]
TelData	527	[illegible]	[illegible]	[illegible]	[illegible]
Tenera	248	6	[illegible]	[illegible]	[illegible]
TexBiotch	252	[illegible]	[illegible]	[illegible]	[illegible]
ThrmDet n	73	[illegible]	[illegible]	[illegible]	[illegible]
Thermed	511	[illegible]	16	[illegible]	[illegible]
ThmBion	69	[illegible]	[illegible]	[illegible]	[illegible]
TCardio	164	[illegible]	27	[illegible]	[illegible]
ThmFib	212	[illegible]	[illegible]	[illegible]	[illegible]
ThrInst	367	[illegible]	[illegible]	[illegible]	[illegible]
ThrOptk	172	[illegible]	[illegible]	[illegible]	[illegible]
ThrmPw	84	6	[illegible]	[illegible]	[illegible]
ThmRe	119	7	7	7	[illegible]
ThrVolt s	71	[illegible]	7	7	[illegible]
Thrmoise	98	14	[illegible]	14	[illegible]
Thmst	72	[illegible]	16	16	[illegible]
Thrmotx	127	26	[illegible]	[illegible]	[illegible]
TopSrce	2651	2	[illegible]	[illegible]	[illegible]
TotlPer	140	[illegible]	[illegible]	[illegible]	[illegible]
TWA	3736	[illegible]	[illegible]	[illegible]	[illegible]
Transmont	119	[illegible]	[illegible]	[illegible]	[illegible]
TreuMed n	77	[illegible]	[illegible]	[illegible]	[illegible]
TubMex	811	[illegible]	[illegible]	[illegible]	[illegible]
USFGP	87	[illegible]	[illegible]	[illegible]	[illegible]
Unapix	123	[illegible]	[illegible]	[illegible]	[illegible]
Unilab	1185	[illegible]	[illegible]	[illegible]	[illegible]
Unimar	450	[illegible]	[illegible]	[illegible]	[illegible]
UnivMbl	897	[illegible]	[illegible]	[illegible]	[illegible]
UnCap	109	[illegible]	[illegible]	[illegible]	[illegible]
UMobH	147	[illegible]	[illegible]	[illegible]	[illegible]
USBiosci	602	[illegible]	[illegible]	[illegible]	[illegible]
USCell	209	[illegible]	[illegible]	[illegible]	[illegible]
VKAMM2	109	[illegible]	[illegible]	[illegible]	[illegible]
VKNJV	127	[illegible]	[illegible]	[illegible]	[illegible]
Viacom	1233	[illegible]	[illegible]	31	[illegible]
ViacB	4000	[illegible]	[illegible]	[illegible]	[illegible]
VistaG g	232	1	[illegible]	[illegible]	[illegible]
Viratnc	787	[illegible]	[illegible]	[illegible]	[illegible]
VoyMN2	136	[illegible]	13	[illegible]	[illegible]
WRIT	398	[illegible]	[illegible]	[illegible]	[illegible]
WashSvg	180	[illegible]	[illegible]	[illegible]	[illegible]
Webcotnd	102	[illegible]	[illegible]	[illegible]	[illegible]
WellsGrd n	155	[illegible]	[illegible]	[illegible]	[illegible]
WIRET	83	[illegible]	[illegible]	[illegible]	[illegible]
WirelessT	491	[illegible]	[illegible]	[illegible]	[illegible]
WEBCan	171	[illegible]	[illegible]	[illegible]	[illegible]
WEB HK	159	[illegible]	[illegible]	[illegible]	[illegible]
WEB Ita	235	[illegible]	[illegible]	[illegible]	[illegible]
WEB Jpn	82	14	[illegible]	[illegible]	[illegible]
WEB Mal	79	[illegible]	[illegible]	[illegible]	[illegible]
WEB Sing	127	[illegible]	[illegible]	[illegible]	[illegible]
XCL Ltd	905	[illegible]	[illegible]	[illegible]	[illegible]
Xytron	69	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	7769.37	7797.87	7682.45	7604.26	-192.25
Trans	2762.16	2771.57	2736.29	2727.97	-18.65
Util	225.37	226.04	223.10	223.38	-2.46
Comp	2387.20	2391.86	2347.91	2348.88	-42.82

Standard & Poors

	High	Low	Previous Close	Today 4:00
Industrials	—	—	1054.79	1031.32
Transp.	—	—	639.40	636.48
Utilities	—	—	197.75	195.75
Finance	—	—	104.16	101.36
SP 500	—	—	898.70	878.62
SP 100	—	—	876.76	856.80

NYSE

	High	Low	Last	Chg.
Composite	467.84	458.42	458.49	-9.35
Industrials	591.22	578.74	578.98	-12.32
Transp.	423.40	418.52	418.51	-1.97
Utility	285.42	281.34	281.58	-4.05
Finance	432.73	423.65	423.65	-9.08

Nasdaq

	High	Low	Last	Chg.
Composite	1450.97	1433.72	1434.34	-12.76
Industrials	1174.14	1162.69	1163.91	-7.46
Banks	1595.29	1579.82	1582.13	-11.91
Insurance	1660.37	1641.32	1642.25	-12.56
Finance	1909.00	1892.63	1894.66	-12.75
Transp.	950.05	943.18	943.46	-4.55

AMEX

High	Low	Last	Chg.
624.14	619.97	620.42	-2.85

Dow Jones Bond

	Close	Chg.
20 Bonds	103.29	-0.15
10 Utilities	100.47	-0.17
10 Industrials	106.11	-0.13

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
PhilMor s	142666	[illegible]	[illegible]	[illegible]	[illegible]
Tandem	139029	[illegible]	[illegible]	[illegible]	[illegible]
WalTech	56177	[illegible]	[illegible]	[illegible]	[illegible]
Compaq	46473	[illegible]	[illegible]	104	[illegible]
IBM s	45491	[illegible]	[illegible]	[illegible]	-2
Pennzoil	42470	[illegible]	[illegible]	[illegible]	[illegible]
Boeing s	42387	[illegible]	[illegible]	[illegible]	[illegible]
PepsiCo	40460	[illegible]	37	[illegible]	-1
GenElec s	38480	[illegible]	[illegible]	[illegible]	[illegible]
BarrickG	35457	[illegible]	[illegible]	[illegible]	[illegible]
K mart	34297	[illegible]	12	12	[illegible]
SunMic	33878	[illegible]	[illegible]	[illegible]	[illegible]
Chrysler	33001	[illegible]	[illegible]	[illegible]	[illegible]
AT&T s	32227	[illegible]	[illegible]	[illegible]	[illegible]
Seagate s	31703	[illegible]	[illegible]	[illegible]	[illegible]

Nasdaq

	Vol.	High	Low	Last	Chg.
Cisco	114640	[illegible]	[illegible]	[illegible]	[illegible]
3Com	88322	51	[illegible]	[illegible]	[illegible]
PairgTch	79238	[illegible]	[illegible]	[illegible]	[illegible]
Oracle	71402	[illegible]	[illegible]	[illegible]	[illegible]
Intel	68519	[illegible]	[illegible]	[illegible]	[illegible]
Ascend	68516	42	[illegible]	[illegible]	-1
GeoTk	58443	[illegible]	[illegible]	[illegible]	[illegible]
SunMic s	54105	[illegible]	[illegible]	[illegible]	[illegible]
TeleSpac n	48311	[illegible]	[illegible]	[illegible]	[illegible]
WorldCm s	47736	[illegible]	31	[illegible]	[illegible]
DellCpt s	46757	[illegible]	[illegible]	[illegible]	[illegible]
ApldMat	45152	[illegible]	[illegible]	[illegible]	[illegible]
Microsft s	43805	[illegible]	128	[illegible]	[illegible]
Amgen	39909	[illegible]	[illegible]	[illegible]	[illegible]
FonSys	32243	[illegible]	[illegible]	[illegible]	[illegible]

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	34911	[illegible]	[illegible]	[illegible]	-1
PaxsnC	18769	[illegible]	[illegible]	[illegible]	[illegible]
Audvox	11033	[illegible]	[illegible]	[illegible]	[illegible]
EchoBay	7647	[illegible]	[illegible]	[illegible]	[illegible]
ARM Fn n	7564	[illegible]	[illegible]	[illegible]	[illegible]
JTS Corp	7533	[illegible]	[illegible]	[illegible]	[illegible]
Harken	7182	6	[illegible]	[illegible]	[illegible]
CdnOcc g	6178	[illegible]	[illegible]	[illegible]	[illegible]
ViacB	5715	[illegible]	[illegible]	[illegible]	[illegible]
Hecx	5531	[illegible]	[illegible]	[illegible]	[illegible]

Trading Activity

NYSE

	Close	Prev.
Advanced	825	1149
Declined	1812	1486
Unchanged	758	777
Total Issues	3395	3412
New Highs	198	283
New Lows	15	13

Nasdaq

	Noon	Prev.
Advanced	1579	2063
Declined	1728	1966
Unchanged	2230	1705
Total Issues	5537	5734
New Highs	133	287
New Lows	77	68

AMEX

	Close	Prev.
Advanced	242	268
Declined	327	298
Unchanged	183	180
Total Issues	752	746
New Highs	45	55
New Lows	16	12

Market Sales

	Today 4:00	Prev. cons.
NYSE	499.04	756.79
Amex	24.80	35.20
Nasdaq	512.64	612.26

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
CommnSense Gr A	-	.0562	6-26	6-27
CommnSense Gr B	-	.0222	6-26	6-27
Cross Timbers Ry	-	.1843	6-30	7-15
Evergreen AmRet	-	.125	6-20	6-24
Evergreen AmR B	-	.097	6-20	6-24
Evergreen Bal B	-	.105	6-20	6-24
Evergreen Bal Y	-	.14	6-20	6-24
Evergreen F A	-	.283	6-20	6-24
Evergreen F B	-	.248	6-20	6-24
Evergreen F C	-	.248	6-20	6-24
Evergreen F Y	-	.293	6-20	6-24
Evergreen Inco B	-	.22	6-20	6-24
Evergreen Inco Y	-	.27	6-20	6-24
Kloof Gld Mng	b	.033	6-27	8-13
LASMO PLC A	b	.625	6-30	7-15
INITIAL				
Energy Grp ADS n		.4478	6-27	7-11
NewSth Bancorp	-	.10	7-2	7-25
Zions Bncp n	-	.12	7-14	7-28
REGULAR				
Abigail Adams	Q	.10	6-30	7-31
CNA Income Shrs	Q	.24	6-30	7-14
Center Bncp	Q	.20	7-18	8-1
Dreifontein Consl	b	.165	6-27	8-13
Evergreen Value	Q	.125	6-20	6-24
Fst Svgs Bk WA	Q	.07	6-30	7-10
GBC Bancorp	Q	.12	6-30	7-15
Harcourt Gen	Q	.18	7-14	7-31
Home Building	Q	.075	7-7	7-21
Ohio Art	g	.04	7-7	8-5
Oshawa Group A	Q	.14	8-15	9-10
Permian Basin	M	.086	6-30	7-15
Prime Bancorp	Q	.17	7-5	8-1
Pulitzer Publish	Q	.13	7-7	8-1
StateFed Fin	Q	.10	6-30	7-11
Summit TxEx Bd	Q	.21	6-30	8-15
TCA Cable	Q	.16	6-30	7-14
Warner-Lambert	Q	.38	8-1	9-10
Winton Find	Q	.115	6-30	7-14
INCREASED				
Brandywine Realty	Q	.36	6-30	7-10
Kenan Transport	Q	.07	6-30	7-15

STOCK SPLIT

Bristol Hotel 3 for 2 split.
Transmation Inc 2 for 1 split.

REVERSE STOCK SPLIT

Polydex Pharm 1 for 10 reverse split.

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

June 23, 1997

	High	Low	Latest	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	264½	259	260½	—5	67,655
Sep 97	246½	243¾	245	—2¼	47,647
Dec 97	243¾	241¼	243¼	—1¼	130,866
Mar 98	250¾	248¾	250¼	—½	18,264
May 98	255¼	253½	255¼		2,030
Jul 98	258¾	256	258½	—¼	3,771
Sep 98	254½	253	254½	+1½	145
Est. sales N.A. Fri's. sales 62,687					
Fri's open int 274,054 off 2188					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jul 97	276.00	267.00	273.70	+2.80	27,612
Aug 97	251.50	245.00	250.20	+1.60	21,199
Sep 97	230.00	225.00	229.70	+1.40	13,834
Oct 97	218.50	215.30	218.00	+0.50	13,643
Dec 97	212.50	209.20	211.90	+0.60	27,634
Jan 98	209.50	207.20	209.50	+0.20	2,898
Est. sales N.A. Fri's. sales 23,954					
Fri's open int 111,902 off 2253					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Jul 97	22.89	22.70	22.75	—0.10	30,672
Aug 97	22.84	22.88	22.91	—0.12	19,810
Sep 97	23.20	23.05	23.08	—0.12	10,070
Oct 97	23.20	23.05	23.09	—0.09	12,071
Dec 97	23.38	23.21	23.26	—0.17	25,485
Jan 98	23.45	23.35	23.35	—0.18	2,217
Est. sales N.A. Fri's. sales 25,948					
Fri's open int 102,730 up 686					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	838	817	836	+10	41,828
Aug 97	770	756	768	+1¼	28,523
Sep 97	685	678	683	—2¾	10,869
Nov 97	655	648	652¾	—1	57,144
Jan 98	655	650	653½	—3¼	8,294
Est. sales N.A. Fri's. sales 50,878					
Fri's open int 151,603 off 8183					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	334	328	329¾	—5	26,756
Sep 97	341	336	337	—5	27,398
Dec 97	353	348	350½	—3½	23,119
Mar 98	359	353	355¾	—3¼	2,912
Est. sales N.A. Fri's. sales 23,397					
Fri's open int 81,815 off 2773					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Jun 97	65.60	64.60	64.70	—0.50	1,573
Aug 97	64.07	63.22	63.95	+0.50	42,711
Oct 97	67.17	66.22	67.10	+0.70	23,887
Dec 97	69.85	68.97	69.77	+0.67	13,332
Feb 98	70.85	70.80	70.77	+0.45	6,350
Apr 98	72.90	72.22	72.82	+0.55	2,781
Est. sales N.A. Fri's. sales 9,095					
Fri's open int 91,485 off 424					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Aug 97	78.75	77.10	78.42	+1.17	10,274
Sep 97	78.30	76.80	78.30	+1.18	2,793
Oct 97	78.50	77.33	78.50	+1.00	3,630
Nov 97	79.75	78.82	79.67	+0.85	2,452
Jan 98	79.97	79.10	79.87	+0.77	666
Mar 98	79.40	78.40	79.00	+0.60	171
Est. sales N.A. Fri's. sales 33,252					
Fri's open int 20,108 up 52					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Jul 97	83.00	82.30	82.65	+0.70	9,463
Aug 97	80.20	79.25	79.42	+0.10	11,708
Oct 97	72.10	71.05	71.45	—0.12	7,093
Dec 97	69.05	67.80	68.27	—0.37	4,337
Feb 98	67.65	66.60	66.97	—0.37	1,767
Est. sales N.A. Fri's. sales 5,161					
Fri's open int 36,458 up 323					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Jul 97	82.60	80.30	80.67	—0.82	3,403
Aug 97	82.35	80.20	80.50	—0.85	3,005
Feb 98	73.05	71.50	71.80	—0.27	486
Est. sales N.A. Fri's. sales 1,891					
Fri's open int 6,919 off 158					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Jul 97	1663	1566	1663	+97	473
Sep 97	1699	1616	1696	+83	37,794
Dec 97	1737	1658	1735	+80	20,322
Mar 98	1760	1690	1760	+73	22,444
May 98	1779	1725	1779	+73	8,819
Jul 98	1799	1744	1799	+73	622
Est. sales N.A. Fri's. sales 8,029					
Fri's open int 98,369 up 289					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Jul 97	206.00	190.00	194.65	—4.30	1,340
Sep 97	185.00	170.00	175.45	—4.05	10,870
Dec 97	161.00	149.50	154.15	—5.35	4,773
Mar 98	151.25	144.75	144.75	—6.00	2,566
May 98	146.80	140.50	140.65	—5.60	689
Est. sales 9,167 Fri's. sales 5,421					
Fri's open int 28,655 off 354					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Jul 97	11.23	11.02	11.13	+0.07	39,491
Oct 97	11.20	11.00	11.11	+0.08	84,881
Mar 98	11.13	10.98	11.07	+0.07	35,638
May 98	11.03	10.92	10.98	+0.04	7,907
Est. sales 33,434 Fri's. sales 62,269					
Fri's open int 173,289 off 7964					
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jul 97	75.25	71.30	72.45	—1.90	12,890
Sep 97	77.80	74.05	75.50	—1.40	13,496
Nov 97	80.50	77.20	78.40	—1.35	5,041
Jan 98	83.25	79.50	80.10	—2.45	2,112
Est. sales N.A. Fri's. sales 5,365					
Fri's open int 35,380 off 678					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jun 97	339.40	336.50	339.40	+1.70	327
Jul 97			340.00	+1.70	1
Aug 97	341.40	338.50	341.10	+1.70	93,981
Oct 97	344.30	341.10	343.60	+1.70	7,999
Dec 97	346.50	343.60	346.20	+1.70	27,276
Feb 98	348.70	347.90	348.70	+1.70	8,698
Apr 98			351.10	+1.80	4,383
Jun 98	353.60	352.50	353.60	+1.80	8,158
Aug 98			356.20	+1.80	757
Est. sales N.A. Fri's. sales 32,767					
Fri's open int 183,266 up 6969					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jun 97	118.60	117.50	118.60	+0.10	1,026
Jul 97	118.70	116.70	118.20	+0.10	21,891
Aug 97	116.90	115.70	116.90	—0.10	2,944
Sep 97	116.60	114.95	116.20	+0.10	16,502
Oct 97	114.00	113.60	114.00	+0.10	1,235
Nov 97	115.10	112.60	112.60	+0.50	1,227
Dec 97	111.70	110.20	111.60	+0.25	6,484
Jan 98	109.60	109.10	109.60	+0.50	646
Feb 98			108.10	+0.65	541
Est. sales N.A. Fri's. sales 17,909					
Fri's open int 57,496 off 1283					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jun 97	480.70	471.50	480.70	+10.00	2
Jul 97	482.00	467.50	481.20	+10.00	35,360
Sep 97	487.00	475.00	486.00	+10.10	29,132
Dec 97	493.00	480.50	492.90	+10.20	8,678
Jan 98			494.80	+10.20	17
Mar 98	499.80	494.00	499.80	+10.30	8,783
May 98	504.10	502.50	504.10	+10.50	2,812
Jul 98			508.40	+10.70	2,884
Est. sales N.A. Fri's. sales 17,242					
Fri's open int 92,327 off 978					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jul 97	418.50	413.00	415.20		7,729
Oct 97	404.40	399.00	401.20	+1.00	7,874
Jan 98	393.20	392.50	393.20	+0.50	1,638
Est. sales N.A. Fri's. sales 3,317					
Fri's open int 17,370 off 205					

LONDON METALS (LME) Dollars per metric ton

			Close		Previous
Aluminum (High Grade)					
Spot	1562½	1563½		1557½	1558.00
Forward	1586½	1587½		1580.00	1581.00
Copper Cathodes (High Grade)					
Spot	2643.00	2645.00		2708.00	2711.00
Forward	2504.00	2506.00		2579.00	2580.00
Lead					
Spot	608.00	609.00		610.00	611.00
Forward	621.00	622.00		622.00	623.00
Nickel					
Spot	7100.00	7110.00		7105.00	7110.00
Forward	7215.00	7220.00		7215.00	7220.00
Tin					
Spot	5550.00	5560.00		5560.00	5570.00
Forward	5600.00	5610.00		5610.00	5615.00
Zinc (Special High Grade)					
Spot	1388.00	1389.00		1380.00	1381.00
Forward	1407.00	1408.00		1399.00	1400.00

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Sep 97	94.82	94.80	94.81		7,318
Dec 97			94.64	—0.01	359
Mar 98			94.53		2
Est. sales N.A. Fri's. sales 120					
Fri's open int 7,697 up 51					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Sep 97	106-31	106-22	106-23	—08	209,111
Dec 97			106-05	—08	1,371
Mar 98			-01		
Est. sales 14,350 Fri's. sales 26,068					
Fri's open int 226,000 up 4587					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 97	108-22	108-16	108-17	—06	326,584
Dec 97			108-06	—06	3,568
Mar 98			107-24	—06	9
Est. sales 48,004 Fri's. sales 46,681					
Fri's open int 332,626 off 1712					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Sep 97	112-16	112-04	112-05	—12	432,934
Dec 97	112-03	111-24	111-24	—13	25,291
Mar 98	111-16	111-14	111-14	—13	2,097
Jun 98			111-03	—13	801
Est. sales 175,000 Fri's. sales 251,065					
Fri's open int 468,127 off 1137					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
Jul 97	94.31	94.30	94.30		21,211
Aug 97	94.28	94.27	94.27		13,961
Sep 97	94.24	94.23	94.23		2,385
Est. sales N.A. Fri's. sales 2,975					
Fri's open int 40,374 up 956					
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Sep 97	101.46	101.08	101.28	—0.04	239,930
Dec 97	100.30	100.20	100.34	—0.03	5,139
Est. sales: 152,282 Prev. sales: 146,433					
Prev. open int.: 245,069 up 636					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Jun 97	113-18	113-14	113-19	—0-10	1,016
Sep 97	113-16	112-31	113-06	—0-10	160,626
Dec 97	N.T.	N.T.	112-26	—0-10	
Est. sales: 38,250. Prev sales: 35,715					
Prev. open int.: 161,642 up 1,700					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Sep 97	128.82	128.44	128.66	+ 0.04	195,145
Dec 97	97.52	97.14	97.30	— 0.08	1,995
Mar 98	96.92	96.92	96.70	— 0.08	0
Est. sales: 93,701.					
Open int.: 197,140 up 272.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Sep 97	133.58	132.97	133.46	+0.15	92,594
Dec 97	N.T.	N.T.	106.11	+0.20	270
Est. sales: 50,188. Prev. sales: 50,500					
Prev. open int.: 92,864 up 2,506					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Jul 97	94.21	94.20	94.21		34,604
Aug 97	94.18	94.17	94.17		9,422
Sep 97	94.14	94.13	94.13	—0.01	557,545
Dec 97	93.96	93.93	93.93	—0.02	428,483
Mar 98	93.88	93.85	93.85	—0.03	290,575
Jun 98	93.77	93.74	93.75	—0.03	235,331
Sep 98	93.67	93.64	93.65	—0.03	199,775
Dec 98	93.57	93.53	93.54	—0.03	136,793
Mar 99	93.54	93.52	93.52	—0.03	105,528
Jun 99	93.51	93.48	93.48	—0.03	81,390
Sep 99	93.48	93.44	93.44	—0.04	74,601
Dec 99	93.40	93.37	93.37	—0.04	66,621
Est. sales N.A. Fri's. sales 202,075					
Fri's open int 2,567,397 off 1198					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Sep 97	1.6688	1.6500	1.6682		42,163
Dec 97	1.6640	1.6554	1.6636		362
Mar 98			1.6592		2
Est. sales N.A. Fri's. sales 9,203					
Fri's open int 42,527 up 2795					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Sep 97	.7250	.7229	.7247		39,426
Dec 97	.7294	.7282	.7291		2,559
Mar 98	.7329	.7319	.7329		517
Est. sales N.A. Fri's. sales 7,054					
Fri's open int 42,709 off 445					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Sep 97	.5859	.5811	.5852		61,160
Dec 97	.5890	.5879	.5890		878
Mar 98			.5929		123
Est. sales N.A. Fri's. sales 11,397					
Fri's open int 62,161 off 1001					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Sep 97	.8805	.8751	.8801		48,918
Dec 97	.8917	.8875	.8917		1,071
Mar 98			.9034		107
Est. sales N.A. Fri's. sales 8,778					
Fri's open int 50,096 off 222					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Sep 97	.7068	.7000	.7053		33,258
Dec 97	.7138	.7125	.7130		804
Mar 98			.7209		70
Est. sales N.A. Fri's. sales 9,571					
Fri's open int 34,132 off 214					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Sep 97	.12160	.12060	.12145		19,723
Dec 97	.11720	.11630	.11720		10,041
Mar 98	.11315	.11230	.11315		2,955
Est. sales N.A. Fri's. sales 8,611					
Fri's open int 33,848 up 741					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Jul 97	N.T.	N.T.	96.86	Unch.	3,607
Aug 97	N.T.	N.T.	96.85	Unch.	391
Sep 97	96.83	96.82	96.82	Unch.	275,895
Dec 97	96.73	96.70	96.70	—0.01	268,561
Mar 98	96.62	96.59	96.60	—0.01	232,060
Jun 98	96.44	96.42	96.42	—0.01	161,454
Sep 98	96.22	96.19	96.20	—0.01	142,296
Dec 98	95.93	95.91	95.92	—0.01	93,921
Mar 99	95.68	95.66	95.67	—0.01	84,120
Jun 99	95.48	95.44	95.45	—0.01	46,287
Sep 99	95.25	95.23	95.23	—0.02	39,254
Dec 99	95.04	95.02	95.02	—0.02	35,623
Est. sales: 47,411. Prev. sales: 77,696					
Prev. open int.: 1,414,557 up 11,316					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Sep 97	93.02	92.96	92.96	—0.08	132,092
Dec 97	92.83	92.76	92.76	—0.09	104,456
Mar 98	92.70	92.63	92.63	—0.10	72,771
Jun 98	92.61	92.56	92.56	—0.10	49,522
Sep 98	92.56	92.53	92.53	—0.09	33,634
Dec 98	92.54	92.51	92.52	—0.09	27,771
Mar 99	92.54	92.49	92.52	—0.08	20,200
Jun 99	92.54	92.51	92.52	—0.07	11,263
Sep 99	92.52	92.50	92.52	—0.05	10,379
Est. sales: 88,895. Prev sales: 47,771					
Prev. open int.: 476,433 off 3,997					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Sep 97	96.56	96.52	96.54	+ 0.01	68,049
Dec 97	96.54	96.50	96.51	Unch.	34,943
Mar 98	96.46	96.42	96.43	Unch.	31,491
Jun 98	96.35	96.30	96.32	— 0.01	27,562
Sep 98	96.19	96.16	96.17	— 0.01	31,283
Dec 98	95.97	95.94	95.95	— 0.01	17,298
Mar 99	95.74	95.70	95.72	— 0.02	13,830
Est. sales: 19,280.					
Open int.: 245,730 up 2,996.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Sep 97	93.55	93.46	93.53	+0.03	118,402
Dec 97	93.93	93.83	93.90	+0.04	70,947
Mar 98	94.15	94.07	94.13	+0.05	44,614
Jun 98	94.28	94.21	94.26	+0.05	32,537
Sep 98	94.35	94.27	94.33	+0.06	22,015
Dec 98	94.39	94.30	94.36	+0.05	9,406
Mar 99	94.37	94.30	94.33	+0.04	8,961
Est. sales: 54,216. Prev. sales: 37,050					
Prev. open int.: 310,812 up 564					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Jul 97	72.70	71.75	72.39	—0.61	8,242
Oct 97	75.20	74.40	74.90	—0.20	10,726
Dec 97	75.80	74.97	75.78	—0.10	35,250
Mar 98	76.85	76.22	76.53	—0.32	6,025
May 98	77.44	76.95	77.20	—0.25	1,124
Est. sales N.A. Fri's. sales 13,791					
Fri's open int 64,824 off 2759					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Jul 97	52.05	51.05	51.92	-0.59	23,966
Aug 97	52.30	51.50	52.18	-0.62	34,439
Sep 97	53.00	52.40	52.93	-0.57	16,172
Oct 97	54.00	53.10	53.93	-0.57	15,247
Nov 97	55.00	54.50	54.88	-0.57	12,781
Dec 97	55.85	55.70	55.73	-0.57	16,316
Jan 98	56.50	55.85	56.28	+0.57	12,494
Feb 98	56.75	56.10	56.43	-0.52	6,297
Mar 98	55.90	55.50	55.63	-0.62	5,872
Est. sales N.A. Fri's. sales 33,134					
Fri's open int 153,417 up 4122					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Aug 97	19.22	18.86	19.02	-0.19	100,463
Sep 97	19.30	19.00	19.20	-0.16	49,717
Oct 97	19.42	19.16	19.30	-0.12	27,128
Nov 97	19.48	19.30	19.41	-0.12	18,969
Dec 97	19.57	19.33	19.50	-0.12	40,468
Jan 98	19.60	19.50	19.50	+0.06	17,931
Feb 98	19.61	19.50	19.54	-0.06	8,005
Mar 98	19.65	19.59	19.65	-0.14	4,878
Apr 98	19.60	19.52	19.53	-0.05	5,099
May 98			19.51		6,365
Est. sales N.A. Fri's. sales 107,189					
Fri's open int 380,367 up 9280					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jul 97	2.275	2.248	2.246		25,295
Aug 97	2.270	2.240	2.242		27,033
Sep 97	2.260	2.235	2.237		19,160
Oct 97	2.260	2.240	2.242		20,466
Nov 97	2.375	2.355	2.355		9,518
Dec 97	2.510	2.490	2.495		13,306
Jan 98	2.550	2.530	2.535		13,870
Feb 98	2.455	2.440	2.440		10,246
Mar 98	2.320	2.315	2.320		6,859
Apr 98	2.180	2.165	2.165		3,538
Est. sales N.A. Fri's. sales 39,804					
Fri's open int 202,749 up 822					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Jul 97	56.30	54.85	55.64	-0.16	22,152
Aug 97	55.90	54.65	55.28	-0.17	27,685
Sep 97	55.50	54.35	54.98	-0.25	8,554
Oct 97	54.60	54.00	54.23	-0.43	5,480
Nov 97	54.25	53.88	53.88	-0.48	2,169
Dec 97	54.10	53.30	53.55	-0.53	4,574
Jan 98	54.15	53.30	53.80	+0.55	3,885
Feb 98			54.20	+0.55	1,896
Est. sales N.A. Fri's. sales 26,061					
Fri's open int 78,965 off 425					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Jul 97	161.00	160.00	160.25	-1.75	19,460
Aug 97	162.75	162.00	162.00	+1.50	14,859
Sep 97	165.00	164.25	164.25	+1.50	6,035
Oct 97	167.75	167.00	167.00	+1.50	6,658
Nov 97	169.75	169.00	169.00	+1.50	4,011
Dec 97	171.50	170.50	170.50	+1.25	9,190
Jan 98	172.50	171.50	171.50	-1.00	3,249
Feb 98	172.25	171.75	171.50	-1.00	1,626
Est. sales: 9,390. Prev. sales: 11,711					
Prev. open int.: 69,111 change up 271					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Sep 97	907.90	890.50	890.90	—14.85	173,539
Dec 97	916.50	900.00	902.00	—17.35	4,122
Mar 98			914.30		1,626
Est. sales N.A. Fri's. sales 53,020					
Fri's open int 240,170 off 2010					
CAC 40 (MATIF) FF200 per index point					
Jun 97	2763.0	2725.0	2759.0	+ 4.00	33,250
Jul 97	2759.0	2725.0	2757.0	+ 4.00	9,228
Aug 97	2747.0	2747.0	2765.0	+ 4.00	1,792
Sep 97	2773.5	2745.5	2777.0	+ 4.00	16,671
Est. sales: 16,962.					
Open int.: 72,030 up 1,019.					
FTSE 100 (LIFFE) £25 per index point					
Sep 97	4605.0	4572.0	4580.0	—24.0	64,138
Dec 97	N.T.	N.T.	4628.0	—23.0	2,739
Est. sales: 14,673. Prev. sales: 24,157					
Prev. open int.: 92,471 up 6,788					

Commodity Indexes

	Close	Previous
Moody's	1,570.10	1,588.60
Reuters	1,995.30	2,010.10
D.J. Futures	152.53	153.10
CRB	241.25	240.52

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

See our
Arts and Antiques
every Saturday

هكذا من الأصل

هكذا من الأصل

Reed Elsevier to Buy U.S. Publishing Unit From Walt Disney

Compiled by Our Staff From Dispatches

AMSTERDAM — Reed Elsevier PLC said Monday that it would buy the three main divisions of Chilton Business Group from Walt Disney Co. for $447 million to expand its U.S. publishing business.

Reed Elsevier, a British-Dutch company, said it had agreed to purchase Chilton's business-to-business publisher, research services company and its exhibitions management company from Disney's ABC television network.

Reed Elsevier said the deal, its third U.S. acquisition this year, would make an immediate contribution to its profits.

Earlier this year Reed Elsevier bought 40 U.S. law publications from Thomson Corp., and its science-publishing division bought MDL Information Systems Inc. for $320 million. The company said it would continue to look for acquisitions.

Chilton, based in Radnor, Pennsylvania, publishes 39 business magazine titles focusing on manufacturing, entertainment and automotive topics.

Reed Elsevier said it would merge Chilton's core trade press business with its own U.S. business magazines unit, Cahners Publishing Co., which has more than 90 titles, including the show-business newspaper Variety.

Peter van Hooff, Reed Elsevier's strategy director, said that by combining Chilton and Cahners, Reed Elsevier could raise its U.S. business publishing operating profit margins to around 20 percent by 1999, from about 15 percent to 17 percent now. The company can also write off 80 percent to 90 percent of the purchase price against U.S. taxes over 15 years, he said.

Chilton's magazines would expand Reed Elsevier's offerings in electronic media, he said. Reed Elsevier owns the Lexis-Nexis electronic service.

The company's chief financial officer, Mark Armour, said Reed Elsevier was looking for further takeovers.

"It should be absolutely clear that acquisitions are a constant activity for Reed Elsevier," he said. "We devote great energy to exploring opportunities and shaking the trees."

Analysts welcomed the news of the purchase, saying it was a good fit with Cahners. "This is a nice build-on acquisition, it can be integrated nicely and has obvious tax advantages," said Jeff Meys of ABN-AMRO Hoare Govett.

Reed International PLC and Elsevier NV each own 50 percent of Reed Elsevier. In Amsterdam, shares in Elsevier fell 50 cents, to 32.20 guilders ($16.60), while in London, stock in Reed fell 2 pence, to 570 pence ($9.46)

(Bloomberg, Reuters)

Merger Rumor About 2 Banks Stirs London

Reuters

LONDON — A merger between two British banking giants, Barclays Bank PLC and National Westminster Bank PLC, as rumored recently, would face insurmountable regulatory hurdles, analysts said Monday.

But one analyst conceded that a merger would make "fantastic commercial sense."

The merger, which at current market prices would create a bank with a market value of more than £30 billion ($49.6 billion), could lead to great cost savings.

But it would give the merged group about half of Britain's small and medium corporate business — a share considered likely to ring alarm bells at the Monopolies and Mergers Commission. Neither bank would comment for the record, other than to say that they never comment on the record about market speculation.

Sources close to NatWest said, however, that the bank had received no approaches from potential merger partners.

Loss of CEO Jolts W.H. Smith

Compiled by Our Staff From Dispatches

LONDON — W.H. Smith Group PLC's stock price dropped nearly 9 percent Monday after the company said its chief executive, Bill Cockburn, had resigned 18 months into a four-year reorganization that he had engineered.

Mr. Cockburn, who will join British Telecommunications PLC as group managing director, will stay on with the book, stationery and music retailer until October.

W.H. Smith's stock price closed down 35 pence at 376.5 pence.

The company, which has stores on nearly every main shopping street in Britain, has been struggling to compete as supermarkets move into its business by selling newspapers, books, compact disks and videos.

In November 1995, Mr. Cockburn was brought in to find a way to secure the future of the chain. "He was the driving force behind strategic moves at W.H. Smith," said one analyst, who asked not to be identified.

Jeremy Hardie, the chairman, said that Mr. Cockburn had been a catalyst for change within the group, presiding over the sale of several of Smith's noncore businesses, notably Do It All home improvement stores and Business Supplies.

"Normally I would have wanted to see my plans through to fruition," Mr. Cockburn said. "My decision to join BT was not taken lightly, but it is the chance of a lifetime for me."

Mr. Hardie said Mr. Cockburn had received an "irresistible" offer from BT and his decision to leave did not reflect any difficulties at W.H.Smith.

Mr. Cockburn said he would be running BT's British operations after the company completes its merger with the U.S. telecom group MCI Communications Corp.

Last year, W.H. Smith took a charge against earnings of £123 million ($203 million) to cut jobs, write down losses on assets and cover losses on property sales. The charges wiped out profit for the year of £98.8 million, handing Smith the first loss in its 204-year history.

Since Mr. Cockburn joined, the head of its flagship 400-store retail division and its commercial director have both left.

The reorganization focuses on improving sales at the retail division. Sales at the division in the year ended June 1, 1996, were £927 million, making up 34 percent of total sales for the year.

The lack of an easy solution for the problems at the division may have been one reason for Mr. Cockburn's decision to leave, analysts said.

"He may have looked at the light at the end of the tunnel and seen there wasn't that much of it," said William Cullum, analyst at Paribas Capital Markets. "His departure leaves Smith in a bit of a hole."

Mr. Cullum said W.H. Smith's new management team, including Beverley Hodson, the newly appointed managing director of the core retail chain, were well placed to drive the business forward.

Rowan Morgan, retail analyst at Nikko Europe, said: "It will take a little while to find someone. There's no obvious successor."

(Reuters, Bloomberg)

Tobacco Stocks Fall on U.S. News

Compiled by Our Staff From Dispatches

LONDON — Shares in BAT Industries PLC fell Monday, leading a decline in tobacco stocks across Europe, as investors worried that the landmark settlement of U.S. health claims could spur similar actions in other markets.

The U.S. tobacco industry agreed Friday to pay $368.5 billion over the next 25 years and accept tight restrictions on advertising and regulation to settle suits from states seeking to recover the costs of treating ill smokers. Most analysts dismissed the decline as temporary, and said the U.S. payout, mostly covered by raising cigarette prices, would remove uncertainty from shares in the industry, which has been battered by litigation.

Cigarette makers in Europe said they had little to fear from the proposed settlement, adding that while the agreement will incur large costs for American companies, this has been largely discounted by the market, and the prospects for similar settlements in Europe remain remote in the near term.

BAT shares closed Monday at 568 pence, down 21. BAT, the London-based parent of the No. 3 U.S. cigarette maker Brown & Williamson, had seen its shares rise 20 percent since settlement talks gathered steam in March.

Other European tobacco stocks also fell, but BAT is the only European cigarette maker with a significant share of the U.S. market, at about 17 percent. *(Bloomberg, AFX)*

Bayer Reaches Pact With Workers

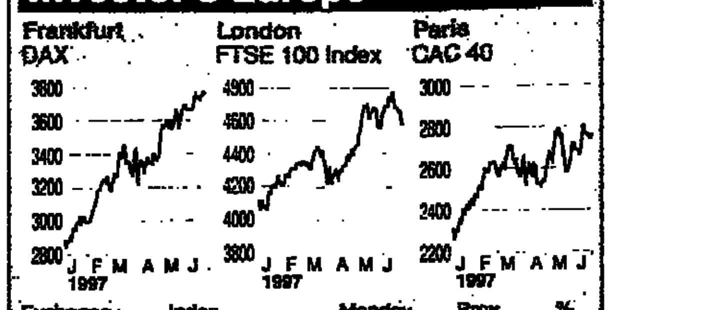
Bloomberg News

LEVERKUSEN, Germany — Bayer AG, Germany's second-largest drugmaker, said Monday that it had reached an agreement to safeguard 46,000 jobs in Germany for three years and to invest 20 billion Deutsche marks in the country by the end of 2002.

Under terms of the pact with its workers' council, Bayer said it had agreed not to cut jobs in Germany for economic reasons before 2001 and to make future staff reductions without causing "social hardship."

In return, the company said it expected to save about 300 million DM ($176 million) annually as a result of more flexible work times and savings made "on personnel expenses and voluntary company benefits in the interests of maintaining and improving competitiveness."

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	AEX	860.86	862.20	-0.16
Brussels	BEL-20	2,351.62	2,361.64	-0.42
Frankfurt	DAX	3,754.72	3,788.27	-0.89
Copenhagen	Stock Market	592.16	591.88	+0.05
Helsinki	HEX General	3,157.88	3,126.39	+1.01
Oslo	OBX	635.85	636.52	-0.11
London	FTSE 100	4,575.80	4,593.90	-0.39
Madrid	Stock Exchange	592.39	589.72	+0.45
Milan	MIBTEL	13317	13185	+1.00
Paris	CAC 40	2,762.20	2,757.10	+0.18
Stockholm	SX 16	3,183.37	3,156.79	+0.84
Vienna	ATX	1,290.87	1,302.47	-0.89
Zurich	SPI	3,530.10	3,518.12	+0.34

Source: Telekurs — International Herald Tribune

Very briefly:

- The Paris Tribunal of Commerce halted the sale to the state of a 25 percent stake in Artemis, the family holding company of Francois Pinault, at the request of the French retail magnate; Mr. Pinault indirectly controls Pinault-Printemps-Redoute through Artemis, which he heads.
- Virgin Atlantic Airways of Britain has pulled out of bidding in the privatization of Sun Air of South Africa, leaving Malaysian Airlines and local consortia still in the running, according to reports in Johannesburg.
- Battersea power station, a crumbling structure on the banks of the Thames River in London, is to be turned into what developers are calling the world's largest cinema complex.
- Lonrho PLC's first-half pretax profit fell 62 percent to £38 million ($62.9 million), in line with analysts expectations.
- ICN Pharmaceuticals Inc. said it had obtained worldwide rights to seven F. Hoffman-La Roche Ltd. products and that La Roche would become a significant shareholder of ICN.
- The European Commission plans to challenge copyright exemptions granted to certain U.S. food, retail and services outlets that the commission estimates are depriving EU musicians of about 27 million ecus ($30.6 million) in royalties per year.
- French shareholder associations fighting for better debt-restructuring terms at the Anglo-French Channel Tunnel operator Eurotunnel say they could have enough votes for a blocking minority at the firm's annual meeting on July 10.
- Oppenheimer & Co. said it was setting up an investment banking unit in the Britain to expand its coverage of the technology and health care industries into Europe.
- The Slovak Finance Ministry said it was considering a plan to give tax breaks to foreign investors to help lift direct investment.

Bloomberg, Bridge News, Reuters, AFX

WORLD STOCK MARKETS

Monday, June 23
Prices in local currencies.
Telekurs

Amsterdam
AEX Index: 860.86 Previous: 862.20

	High	Low	Close	Prev.
ABN-AMRO	37.30	36.50	36.90	37.20
Aegon	140.30	138.50	139.80	138.10
Ahold	164.70	162.20	164.50	162.50
Akzo Nobel	261.20	256	257.20	261
Baan Co.	132	126.20	129.50	125
Bols Wess cva	39.50	38.80	39.30	39.20
CSM cva	100.60	97.50	99	100
Dordtsche Pet	416.50	414	415.60	414
DSM	192	190.30	191	190.50
Elsevier	33.30	32.20	32.20	32.70
Fortis Amev	81.70	80.10	80.80	81.10
Getronics	65	64	64.90	64.30
G-Brocades cva	65.90	65	65.40	65.60
Hagemeyer	106	102.20	103.80	104.90
Heineken	361	356	357.30	361.50
Hoogovens cva	118	108.20	109.20	108.60
Hunt Douglas	164.90	162	164.90	164
ING Group	90.10	89.20	89.80	89.90
KLM	59.50	58.60	59.50	59.50
KNP BT	45.90	44.50	45.40	45.60
KPN	82	80.20	80.90	82.30
Nedlloyd Gp	56	54.10	54.10	55.50
Nutricia	211.50	208.60	209	209.90
Oce Grinten	251.70	246	249	251
Philips Elec	137.30	134	135.10	134.30
Polygram	111	107.10	109	110
Randstad Hdg	199	198	198.90	198.80
Robeco	184.90	184	184	183.60
Rodamco	64.90	64.70	64.70	65
Rolinco	188.10	187.20	187.20	187
Rorento	113.90	113	113	113.10
Royal Dutch	406.50	404.40	406.20	403.90
Unilever cva	413	408.20	410	408.80
Vendex Intl	107	105.10	106.50	105.20
VNU	45.90	44.70	45.30	45.90
Wolters Kl cva	245	240	244	243.50

Bangkok
SET Index: 594.52 Previous: 590.25

	High	Low	Close	Prev.
Adv Info Svc	157	147	157	143
Bangkok Bk F	224	159	172	162
Krung Thai Bk	28.25	26	28.25	25.75
PTT Explor	320	310	320	308
Siam Cement F	476	438	470	430
Siam Com Bk F	103	91.50	102	87
Telecomasia	28.25	26.50	27.75	26
Thai Airways	34	32.25	34	31
Thai Farm Bk F	127	99.50	122	98.50
Utd Comm	97.50	91	97.50	89

Bombay
Sensex 30 index: 4089.29 Previous: 4083.84

	High	Low	Close	Prev.
Bajaj Auto	925	907	910.75	922.25
Hindust Lever	1320	1274	1297.25	1321.25
Hindust Petro	457	446	451.75	440.75
Ind Dev Bk	96.50	94.25	94.50	94.75
ITC	507	494	497.25	504.75
Mahanagar Tel	304.75	291.50	293.75	298.25
Reliance Ind	372	364.25	367	369
State Bk India	344	338.25	339.75	342
Steel Authority	17.50	17.25	17.25	17
Tata Eng Loco	471.75	454	464.25	451

Brussels
BEL-20 index: 2351.62 Previous: 2361.64

	High	Low	Close	Prev.
Almanij	14650	16400	16650	16500
Barco Ind	6890	6800	6890	6820
BBL	9550	9310	9340	9550
CBR	3480	3440	3460	3475
Colruyt	16550	16400	16425	16550
Delhaize Lion	1865	1850	1860	1845
Electrabel	7780	7680	7680	7690
Electrafina	3540	3455	3510	3520
Fortis AG	7110	7040	7080	7110
Gevaert	3340	3280	3340	3350
GBL	5970	5940	5970	5960
Gen Banque	14325	14250	14275	14350
Kredietbank	14500	14150	14200	14525
Petrofina	12975	12800	12975	12775
Powerfin	5000	4960	4965	4990
Royale Belge	10100	9910	9940	9990
Soc Gen Belg	3410	2400	3405	3420
Solvay	21575	21125	21175	21575
Tractebel	15025	14925	14950	15050
UCB	11700	11500	11610	11575

Copenhagen
Stock Index: 592.16 Previous: 591.88

	High	Low	Close	Prev.
BG Bank	368	350	355	365
Carlsberg B	375	369	373	370
Codan Fors	885	875	880	885
Danisco	439	426	432	427
Den Danske Bk	628	624	626.63	626
D/S Svendborg B	347000	347000	347000	347000
D/S 1912 B	241000	240000	240000	241000
FLS Ind B	231	219	230	229
Kob Lufthavn	720	714	714	715
Novo Nordisk B	723.44	720	722	723
Sophus Berend B	985	972	978	984
Tele Danmark B	356	353	354	354.21
Tryg Baltica	360	350	357.48	352
Unidanmark A	371.37	363	371.37	366

Frankfurt
DAX: 3754.72 Previous: 3788.27

	High	Low	Close	Prev.
AMB B	1520	1495	1510	1465
Adidas	201	197.50	200	198.50
Allianz Hldg	382.50	377.50	379	385
Altana	1880	1840	1863	1905
Bk Berlin	38	37.85	38	38.30
BASF	63.45	62.60	62.65	64.30
Bayer Hypo Bk	52.70	52.05	52.23	52.85
Bay Vereinsbank	72	71.55	71.75	72.35
Bayer	69.80	68.50	68.45	69.66
Beiersdorf	92.80	90	91.50	91
Bewag	41.50	41.10	41.10	41.80
BMW	1413	1395	1402	1421
CKAG Colonia	142	142	142	147.50
Commerzbank	48.40	48.10	48.15	48.70
Daimler Benz	136.80	136.20	136.40	137
Degussa	93.30	92.50	93	92.50
Deutsche Bank	97.90	97.50	97.68	98.95
Deut Telekom	43.30	42.90	43.15	42.65
Dresdner Bank	60.80	60.45	60.55	61.30
Fresenius	362	357	358	360
Fresenius Med	153.80	152.50	152.50	152.30
Fried. Krupp	347	342	342	347
Gehe	118.50	116.60	116.80	118.60
Heidelbg Zmt	168.20	167.50	168.20	167.70
Henkel pfd	100	99.20	99.80	100.55
HEW	470	470	470	470
Hochtief	82	79	79	82.50
Hoechst	69.85	69.35	69.65	70.70
Karstadt	630	626	630	642
Lahmeyer	80	78	80	80
Linde	1350	1320	1320	1344
Lufthansa	35.80	35.20	35.40	35.20
MAN	538	533	538	539
Mannesmann	781	761	765	773
Metallgesellschaft	36.35	36	36.15	36.25
Metro	194	192.30	192.50	193.40
Munch Rueck R	5020	4955	4960	5060
Preussag	515	509	510	515
RWE	76.30	75.60	75.80	76.55
SAP pfd	349	346	347.30	346
Schering	189.90	188.75	189.30	189.80
SGL Carbon	241	235.50	237	233
Siemens	103.40	101.95	103.20	101.65
Springer (Axel)	1550	1550	1550	1550
Suedzucker	942	942	942	949
Thyssen	424	413.50	420.50	413.80
Veba	99.40	98.80	99.20	99.70
VEW	570	569	569	570
Viag	802	794	797	798
Volkswagen	1231	1219	1220	1258

Helsinki
HEX General index: 3157.88 Previous: 3126.39

	High	Low	Close	Prev.
Enso A	47	46.50	46.50	47.30
Huhtamaki I	224	223	224	225
Kemira	50.50	48	48	48
Kesko	75	74.40	75	74.40
Merita A	16.90	16.50	16.90	16.20
Metra B	149.10	148	149.10	148.90
Metso-Serla B	41.50	41	41.50	41
Neste	139	137	138	140
Nokia A	380	369	377	365
Orion-Yhtymae	199	197	197	195
Outokumpu A	103.50	103	103.30	103.50
UPM-Kymmene	121	120.10	120.50	120.80
Valmet	88	86.60	86.60	88

Hong Kong
Hang Seng: 15021.23 Previous: 15154.36

	High	Low	Close	Prev.
Amoy Props	8.50	8.05	8.10	8.35
Bk East Asia	32.10	30.80	31.80	30
Cathay Pacific	14.75	14.40	14.60	14.50
Cheung Kong	79.25	77	77.50	78
CK Infrastruct	25.20	24.40	24.40	25.20
China Light	45	44.40	44.50	44.70
Citic Pacific	48.80	47.30	48.10	47.40
Dao Heng Bk	46	42	42.40	46.40
First Pacific	9.80	9.50	9.50	9.55
Hang Lung Dev	14.55	14.20	14.20	14.40
Hang Seng Bk	109	101	104	110
Henderson Inv	9	8.65	8.80	8.80
Henderson Ld	74.25	70	70.50	72.25
HK China Gas	15.75	15.30	15.60	15.40
HK Electric	33.40	32.50	33	32.70
HK Telecomm	18.90	18.15	18.30	18.10
Hopewell Hdgs	4.35	4.13	4.13	4.30
HSBC Hdgs	234	228	231	233
Hutchison Wh	66	63.25	63.75	64
Hysan Dev	23.80	23.30	23.30	23.70
Johnson El Hdg	24.35	23.90	24	22.55
Kerry Props	18.70	18.70	18.70	18.70
New World Dev	48.70	46.50	47.40	48.40
Oriental Press	3.05	2.93	2.98	3
Pearl Oriental	1.39	1.28	1.43	1.26
SHK Props	97.25	93.50	94	95.25
Shun Tak Hdgs	4.93	4.85	4.85	4.85
Sino Land Co.	8.40	8.35	8.50	8.60
Sth China Post	7.50	7.35	7.45	7.35
Swire Pac A	71.25	69	70	69.25
Wharf Hdgs	35.50	34.30	34.90	34.80
Wheelock	19	17.40	18.65	17.60

Jakarta
Composite index: 719.44 Previous: 712.22

	High	Low	Close	Prev.
Astra Intl	8000	7650	7950	7600
Bk Intl Indon	2125	2050	2075	2150
Bk Negara	1575	1550	1575	1550
Gudang Garm	9975	9850	9925	9975
Indocement	3700	3500	3750	3500
Indofood	5850	5700	5800	5675
Indosat	7575	7550	7550	7850
Sampoerna HM	9300	9125	9225	9150
Semen Gresik	5325	5275	5275	5300
Telekomunikasi	4050	3975	4000	4000

Johannesburg
All Market: 7296.32 Previous: 7234.13

	High	Low	Close	Prev.
Amalgamated Bks	33.50	32.75	33.10	32.50
AngloAm Coal	278	270	272.80	200
AngloAm Corp	268.50	264	268.25	268.50
AngloAm Gold	282	277.25	278.50	285
AngloAm Ind	194	189	193.50	190
AVMIN	15.75	15.30	15.75	15.75
Barlow	48.05	47.80	48	47.80
C.G. Smith	24.80	23.80	24.80	23.75
De Beers	146.75	146.75	146.75	145
Driefontein	31.90	31.35	31.85	31.85
Fst Natl Bk	41.25	40.85	40.95	41.10
Gencor	21	20.30	21	21
GFSA	105.50	104	105.50	104
Imperial Hdgs	58	57.50	57.75	57.75
Ingwe Coal	30.25	30.10	30.25	30.40
Iscor	3.17	3.15	3.17	3.13
Johnnies Indl	57.75	57.50	57.50	58
Liberty Hdgs	334	332	332	337
Liberty Life	121	118.50	120	120.25
LibLife Strat	17.25	16.70	17.25	16.45
Minorco	103	100.50	103	101
Nampak	18.30	17.85	18.05	18
Nedcor	100	96	100	94.25
Rembrandt Gp	47.50	46	47.50	46.70
Richemont	60.75	59.90	60.75	60.50
Rust Platinum	75	74.50	75	75
SA Breweries	137.75	134	137.75	134
Samancor	47	47	47	47.50
Sasol	57.25	56	57	57.25
SBIC	210	206.75	210	206.75
Tiger Oats	81.50	79.50	81.50	81

Kuala Lumpur
Composite: 1088.98 Previous: 1097.54

	High	Low	Close	Prev.
AMMB Hdgs	16.40	16.30	16.40	16.30
Genting	13.30	13.10	13.20	13.20
Mal Banking	26.75	26	26.50	26.75
Mal Intl Ship F	6.45	6.35	6.35	6.60
Petronas Gas	9.25	9.05	9.15	9.25
Proton	13.60	12.60	12.60	13.60
Public Bk	3.84	3.82	3.84	3.84
Renong	3.50	3.48	3.48	3.48
Resorts World	8.10	8	8.05	8
Rothmans PM	27	25.50	25.75	27.25
Sime Darby	8.65	8.40	8.60	8.55
Telekom Mal	12.30	12	12.20	12.10
Tenaga	12.10	11.90	12.10	12.10
Utd Engineers	18.60	18.40	18.50	18.50
YTL	8.60	8.30	8.40	8.65

London
FT-SE 100: 4575.80 Previous: 4593.90

	High	Low	Close	Prev.
Abbey Natl	8.06	7.85	7.96	8.05
Allied Domecq	4.24	4.12	4.20	4.21
Anglian Water	6.55	6.38	6.45	6.52
Argos	5.74	5.57	5.65	5.75
Asda Group	1.20	1.18	1.19	1.20
Assoc Br Foods	5.26	5.10	5.13	5.26
BAA	5.47	5.34	5.39	5.47
Barclays	11.77	11.46	11.74	11.64
Bass	7.43	7.22	7.26	7.39
BAT Ind	5.90	5.63	5.69	5.89
Bank Scotland	3.82	3.67	3.80	3.77
Blue Circle	4.18	4.07	4.14	4.14
BOC Group	10.62	10.44	10.49	10.63
Boots	7.11	5.92	6.96	7.08
BPB Ind	3.35	3.28	3.34	3.34
Brit Aerosp	13.52	13.41	13.51	13.50
Brit Airways	7.05	6.39	6.99	6.89
BG	2.19	2.16	2.17	2.18
Brit Land	5.55	5.43	5.52	5.54
Brit Petm	7.15	7.01	7.09	7.11
BSkyB	4.96	4.80	4.87	4.98
Brit Steel	1.58	1.47	1.47	1.58
Brit Telecom	4.49	4.42	4.47	4.49
BTR	2.03	1.95	2	2.02
Burmah Castrol	10.32	10.20	10.30	10.25
Burton Gp	1.23	1.18	1.18	1.21
Cable Wireless	5.60	5.47	5.57	5.50
Cadbury Schw	5.23	5.10	5.22	5.16
Carlton Comm	5.20	5.10	5.17	5.17
Comml Union	6.70	6.58	6.65	6.73
Compass Gp	7.15	7	7	7.16
Courtaulds	3.42	3.37	3.41	3.39
Dixons	4.99	4.85	4.98	4.92
Electrocomponents	4.63	4.58	4.58	4.62
EMI Group	11.30	10.95	11.18	11.08
Energy Group	6.42	6.33	6.36	6.41
Enterprise Oil	6.52	6.40	6.52	6.51
Fors Colonial	1.64	1.62	1.62	1.64
Genl Accident	9.08	8.95	9.05	9.03
GEC	3.57	3.39	3.54	3.39
GKN	10.32	10.20	10.25	10.29
Glaxo Wellcome	12.60	12.39	12.47	12.55
Granada Gp	8.40	8.28	8.35	8.47
Grand Met	5.98	5.62	5.89	5.90
GRE	2.67	2.56	2.64	2.59
Greenalls Gp	4.47	4.43	4.43	4.45
Guinness	5.94	5.86	5.90	6.05
GUS	6.53	6.40	6.51	6.50
Hays	5.83	5.78	5.80	5.82
HSBC Hldgs	18.09	17.64	17.78	18.21
ICI	8.41	7.98	8.19	8.48
Impl Tobacco	4.02	3.92	3.94	4.07
Kingfisher	7.12	6.94	6.98	7.08
Ladbroke	2.40	2.30	2.40	2.36
Land Sec	8.37	8.20	8.33	8.33
Lasmo	2.68	2.60	2.64	2.67
Legal Genl Grp	4.17	4.08	4.10	4.12
Lloyds TSB Gp	6.12	5.99	6.08	6.09
LucasVarity	2.08	2.04	2.06	2.06
Marks Spencer	5.09	5.02	5.04	5.08
MEPC	4.96	4.90	4.95	4.93
Mercury Asset	12.97	12.75	12.84	12.93
National Grid	2.15	2.09	2.13	2.11
Natl Power	5.05	4.93	5.04	5.01
NatWest	7.87	7.55	7.85	7.46
Next	6.90	6.72	6.80	6.89
Norwich Union	3.36	3.20	3.28	3.24
Orange	1.96	1.90	1.94	1.94
P&O	6.19	6.10	6.16	6.14
Pearson	7.10	6.95	6.99	7.05
Pilkington	1.27	1.23	1.25	1.25
PowerGen	6.92	6.85	6.89	6.89
Premier Farnell	4.55	4.47	4.50	4.52
Prudential	5.86	5.75	5.79	5.86
Railtrack Gp	6.19	6.08	6.17	6.14
Rank Group	3.72	3.62	3.65	3.68
Reckitt Colm	8.94	8.85	8.88	8.90
Redland	3.38	3.33	3.35	3.37
Reed Intl	5.79	5.70	5.70	5.72
Rentokil Initial	2.20	2.15	2.18	2.22
Reuters Hdgs	6.67	6.58	6.59	6.65
Rexam	2.67	2.60	2.63	2.66
RMC Group	10.18	9.92	10.06	10.17
Rolls Royce	2.46	2.39	2.41	2.45
Royal Bk Scot	5.90	5.70	5.85	5.75
RTZ reg	10.67	10.55	10.62	10.64
Royal & Sun All	4.50	4.40	4.47	4.51
Safeway	3.47	3.39	3.41	3.48
Sainsbury	3.57	3.48	3.51	3.59
Schroders	16.55	16.30	16.25	16.50
Scot Newcastle	6.42	6.27	6.36	6.41
Scot Power	3.82	3.70	3.73	3.80
Securicor	2.82	2.78	2.82	2.80
Severn Trent	7.33	7.24	7.29	7.25
Shell Transp R	12.38	11.39	12.32	12.20
Siebe	10.24	10.08	10.24	10.20
Smith Nephew	1.74	1.69	1.71	1.72
SmithKline	10.68	10.50	10.67	10.72
Smiths Ind	8.12	8.02	8.07	8.10
Sthern Elec	4.33	4.13	4.13	4.21
Stagecoach	6.42	6.38	6.38	6.38
Stand Charter	8.82	8.60	8.79	8.76
Tate & Lyle	4.56	4.49	4.52	4.56
Tesco	3.71	3.61	3.67	3.70
Thames Water	6.75	6.63	6.71	6.67
3i Group	5.08	4.98	5.06	5.06
TI Group	5.36	5.28	5.32	5.29
Tomkins	2.66	2.55	2.58	2.65
Unilever	17.08	16.90	17.05	17
Utd Assurance	4.44	4.39	4.39	4.47
Utd News	7.35	7.23	7.26	7.32
Utd Utilities	6.31	6.20	6.27	6.29
Vendome Lx uts	4.64	4.48	4.51	4.57
Vodafone	2.87	2.82	2.87	2.87
Whitbread	7.52	7.37	7.52	7.48
Williams Hdgs	3.18	3.14	3.15	3.17
Wolseley	4.86	4.78	4.84	4.88
WPP Group	2.59	2.54	2.54	2.59
Zeneca	18.75	18.56	18.70	18.72

Madrid
Bolsa index: 592.39 Previous: 589.72

	High	Low	Close	Prev.
Acerinox	28230	27530	27650	28010
ACESA	1985	1910	1985	1940
Aguas Barcelon	5960	5870	5900	5890
Argentaria	8400	8250	8360	8250
BBV	11680	11580	11680	11510
Banesto	1495	1460	1470	1485
Bankinter	25800	25250	25600	25180
Bco Centro Hisp	5310	5060	5310	5100
Bco Popular	32950	32130	32950	32130
Bco Santander	4610	4505	4600	4500
CEPSA	5150	5050	5070	5140
Continente	3040	2985	3010	2990
Corp Mapfre	7840	7610	7690	7490
Endesa	11600	11400	11540	11400
FECSA	1420	1395	1410	1400
Gas Natural	32800	32400	32800	32450
Iberdrola	1890	1845	1865	1865
Pryca	2900	2830	2875	2870
Repsol	6440	6310	6360	6430
Sevillana Elec	1460	1430	1455	1435
Tabacalera	7940	7780	7900	7920
Telefonica	4415	4325	4355	4400
Union Fenosa	1340	1325	1335	1330
Valenc Cement	2255	2240	2250	2235

Manila
PSE index: 2808.65 Previous: 2801.73

	High	Low	Close	Prev.
Ayala B	19.25	18.25	18.50	19.25
Ayala Land	23.75	22.75	22.75	23.50
Bk Philip Isl	164	162	164	162
C&P Homes	10.50	9.70	9.70	10.50
Manila Elec A	91.50	89.50	89.50	91
Metro Bank	550	540	550	550
Petron	7.30	6.90	6.90	7.40
PCIBank	257.50	252.50	255	252.50
Phil Long Dist	845	810	810	850
San Miguel B	74.50	72.50	72.50	75
SM Prime Hdg	7.90	7.70	7.80	7.80

Mexico
Bolsa index: 4441.19 Previous: 4439.14

	High	Low	Close	Prev.
Alfa A	52.80	51.70	52.80	53.00
Banacci B	23.15	22.85	22.90	22.90
Cemex CPO	34.50	33.80	34.50	33.80
Cifra C	12.60	12.08	12.54	12.16
Emp Modema	41.65	40.90	40.90	41.80
Gpo Carso A1	50.60	50.20	50.60	50.70
Gpo F Bcomer	2.16	2.12	2.13	2.16
Gpo Fin Inbursa	29.50	29.45	29.45	29.58
Kimb Clark Mex	32.10	31.60	31.70	32.10
Televisa CPO	122.80	121.00	121.00	123.30
TelMex L	19.54	19.20	19.38	19.30

Milan
MIB Telematico: 13317.00 Previous: 13185.00

	High	Low	Close	Prev.
Alleanza Assic	13165	12715	13150	12900
Bca Comm Ital	3795	3650	3785	3695
Bca Fideuram	5100	4925	5070	5000
Bca di Roma	1260	1223	1228	1241
Benetton	28100	26300	27700	27650
Credito Italiano	3235	3110	3235	3115
Edison	8700	8540	8700	8715
ENI	9430	9170	9400	9400
Fiat	6320	6190	6305	6210
Generali Assic	30450	29850	30450	30050
IMI	16480	15980	16305	16200
INA	2775	2725	2770	2770
Italgas	5760	5655	5720	5610
Mediaset	7380	7235	7245	7395
Mediobanca	10635	10190	10600	10405
Montedison	1175	1157	1169	1155
Olivetti	482	455	479	458
Parmalat	2600	2550	2575	2595
Pirelli	4430	4330	4380	4365
RAS	13890	13500	13620	13995
Rolo Banca	20050	19750	20000	20050
S Paolo Torino	12150	11850	12150	12100
Stet	9950	9650	9940	9805
Telecom Italia	5530	5360	5480	5360
TIM	5695	5580	5635	5590

Montreal
Industrials index: 3345.57 Previous: 3362.85

	High	Low	Close	Prev.
Bce Mob Com	42.80	42.20	42.20	42.80
Cdn Tire A	27¼	27.10	27.20	27.15
Cdn Util A	36	36	36	36.05
CT Finl Svc	36	36	36	36
Gaz Metro	18	17.80	17.80	18
Gt-West Lifeco	31½	31½	31½	31½
Imasco	39.70	39.55	39.45	39.90
Investors Grp	33.10	31.80	31.80	32.30
Loblaw Cos	20.80	20.45	20¼	20.70
Natl Bk Canada	17.30	17.10	17.10	17¼
Power Corp	34	33¼	33¼	33.90
Power Finl	33.70	33½	33.55	33¾
Quebecor B	26	25.90	26	26.10
Rogers Comm B	9.45	9.45	9.45	9.35
Royal Bk Cda	62¼	61½	62.20	61.40

Oslo
OBX index: 635.85 Previous: 636.52

	High	Low	Close	Prev.
Aker A	134	131	134	131
Bergesen Dy A	169.50	169	169	169
Christiania Bk	23.70	23.50	23.60	23.80
Den norske Bk	28.30	27.60	27.70	28.30
Elkem	139	137.50	138.50	138.50
Hafslund A	44	43.90	44	44
Kvaerner Asa	433	428	428.50	427
Norsk Hydro	394.50	391	394.50	392
Norske Skog A	254	252.50	252.50	254
Nycomed A	107	105	105.50	106
Orkla Asa A	554	550	550	553
Petim GeoSvc	321.50	319	320	321
Saga Petim A	137.50	136.50	137	137
Schibsted	140	139	139	140
Transocean Off	510	510	510	510
Storebrand Asa	45.50	45	45.10	45.20

Paris
CAC-40: 2762.20 Previous: 2757.10

	High	Low	Close	Prev.
Accor	895	878	894	885
AGF	174.50	168.50	173.90	171.50
Air Liquide	945	926	941	936
Alcatel Alsth	687	665	685	673
Axa-UAP	362.70	359.60	362.50	363.20
Bancaire	708	688	706	698
BIC	969	953	965	952
BNP	228.80	220	226.70	222
Canal Plus	1054	1042	1050	1045
Carrefour	4197	4140	4197	4200
Casino	293.50	290.50	292.50	292
CCF	243.50	240.50	242.40	242
Cetelem	699	681	699	681
Christian Dior	924	900	924	921
CLF-Dexia Fran	566	559	561	560
Credit Agricole	1260	1257.10	1260	1295
Danone	974	956	969	964
Elf-Aquitaine	630	622	626	630
Eridania BS	896	861	896	860
Eurodisney	9.15	9.10	9.15	9.15
Eurotunnel	6.45	6.35	6.45	6.45
Gen. Eaux	719	705	708	717
Havas	413.90	410.10	412	411.20
Imetal	785	765	777	764
Lafarge	369.30	363.20	367.80	368
Legrand	1090	1062	1090	1069
L'Oreal	2314	2233	2314	2263
LVMH	1522	1487	1503	1531
Lyon. Eaux	581	570	580	576
Michelin B	341.80	337	340	342.50
Paribas A	386.50	381.10	384	382.80
Pernod Ricard	307.40	303.10	306.40	304.10
Peugeot Cit	592	575	591	584
Pinault-Print	2940	2855	2920	2944
Promodes	2286	2224	2255	2223
Renault	149.80	147	149.80	148.70
Rexel	1700	1676	1686	1686
Rh-Poulenc A	202	196	201.90	201.50
Sanofi	537	514	517	538
Schneider	318.70	310.60	318.70	312.60
SEB	1051	1028	1035	1027
SGS Thomson	448.90	444	446.10	450.50
Ste Generale	634	608	624	610
Sodexho	3070	2960	2961	2970
St Gobain	844	835	837	840
Suez	300.90	296.10	299	300
Synthelabo	740	716	720	715
Thomson CSF	153.40	149.10	153	150.60
Total B	551	542	546	551
Usinor	97.25	95.50	96.70	95.75
Valeo	373.50	360	366.40	377

São Paulo
Bovespa index: 12296.80 Previous: 12121.20

	High	Low	Close	Prev.
Bradesco Pfd	10.70	10.49	10.64	10.50
Brahma Pfd	842.00	840.00	841.50	840.00
Cemig Pfd	55.00	54.20	54.70	54.00
CESP Pfd	75.00	72.00	72.55	71.50
Copel	21.00	20.40	20.50	20.58
Eletrobras	609.00	585.00	605.00	587.00
Itaubanco Pfd	621.00	610.00	615.00	621.00
Light Servicos	511.00	508.00	511.00	509.980
Lightpar	412.01	408.00	408.50	411.60
Petrobras Pfd	300.00	292.00	300.00	292.08
Paulista Luz	187.00	180.00	187.00	181.00
Sid Nacional	35.40	34.550	35.10	35.40
Souza Cruz	11.89	11.70	11.70	11.89
Telebras Pfd	158.50	155.40	157.20	155.70
Telemig	195.50	188.00	195.50	188.50
Telerj	164.00	162.50	162.50	164.00
Telesp Pfd	363.00	352.00	362.010	352.00
Unibanco	40.50	40.010	40.010	40.90
Usiminas Pfd	11.79	11.58	11.58	11.62
CVRD Pfd	24.00	23.60	23.70	23.70

Seoul
Composite index: 753.85 Previous: 770.22

	High	Low	Close	Prev.
Dacom	104500	99100	99100	102500
Daewoo Heavy	7890	7350	7370	7900
Hyundai Eng.	23400	22200	22500	23200
Kia Motors	13500	13000	13400	13600
Korea El Pwr	28800	27900	28400	28500
Korea Exch Bk	6580	6210	6380	6330
Korea Mob Tel	445000	430000	434000	435000
LG Semicon	34800	33300	33500	34800
Pohang Iron St	61000	59000	59100	60500
Samsung Display	46900	45600	45600	47000
Samsung Elec	70300	67700	69500	70000
Shinhan Bank	11500	10800	11100	11000

Singapore
Straits Times: 2034.79 Previous: 2003.44

	High	Low	Close	Prev.
Asia Pac Brew	6.25	6.25	6.25	6.30
Cerebos Pac	6.90	6.65	6.90	6.60
City Devts	13.70	13.30	13.60	13.20
Cycle Carriage	15.10	14.80	15	14.80
Dairy Farm Int*	0.71	0.70	0.70	0.70
DBS foreign	18.60	17.70	18.50	17.90
DBS Land	4.66	4.60	4.64	4.68
Fraser & Neave	10.40	10.30	10.30	10.30
HK Land*	2.89	2.78	2.81	2.88
Jard Matheson*	7.95	7.70	7.70	7.95
Jard Strategic*	3.86	3.84	3.84	3.84
Keppel	6.20	6.10	6.10	6.05
Keppel Bank	3.74	3.70	3.70	3.70
Keppel Fels	4.86	4.84	4.86	4.82
Keppel Land	4	3.92	3.98	3.90
OCBC foreign	15	14.80	14.90	14.40
OS Union Bk F	8.80	8.55	8.80	8.65
Parkway Hdgs	6.35	6.40	6.50	6.40
Sembawang	6.75	6.45	6.75	6.55
Sing Air foreign	12.70	12.10	12.60	12.10
Sing Land	6.60	6.45	6.50	6.65
Sing Press F	29.20	28.20	29.10	28.10
Sing Tech Ind	3.92	3.86	3.90	3.86
Sing Telecomm	2.61	2.57	2.61	2.59
Tat Lee Bank	3.36	3.34	3.36	3.34
Utd Industrial	1.08	1.06	1.07	1.07
Utd O'Sea Bk F	15.10	14.70	15.10	14.70
Wing Tai Hdgs	4.38	4.34	4.34	4.38

*: in U.S. dollars.

Stockholm
SX 16 index: 3183.37 Previous: 3156.79

	High	Low	Close	Prev.
AGA B	107.50	105.50	107.50	104.50
ABB A	108.50	105.50	107.50	106
Assidoman	227	225	226	228
Astra A	142	138	139.50	137
Atlas Copco A	203.50	201	203	201.50
Autoliv	295	290.50	291.50	293
Electrolux B	571	565	570	565
Ericsson B	293.50	285	292	289.50
Hennes B	285	278.50	283	278.50
Incentive A	720	710	717	715
Investor B	397	382	395.50	388
MoDo B	259	248	259	247
Nordbanken	239.50	235	238	239
Pharm/Upjohn	270	265	266.50	261.50
Sandvik B	210.50	207.50	209.50	209
Scania B	226.50	225	226	226.50
SCA B	170	164	165.50	167
S-E Banken A	83.50	82	82.50	82.50
Skandia Fors	285	277	282.50	278
Skanska B	350	342	346	345
SKF B	210	205	208.50	201.50
Sparbanken A	167.50	164	167.50	167.50
Stadshypotek A	190	190	190	190
Stora A	132	124	126	128.50
Sv Handles A	236	229	229	234.50
Volvo B	201	198.50	199	199.50

Sydney
All Ordinaries: 2706.30 Previous: 2712.60

	High	Low	Close	Prev.
Amcor	8.70	8.62	8.63	8.65
ANZ Bkng	9.85	9.71	9.73	9.87
BHP	19.80	19.48	19.50	19.85
Boral	4.24	4.16	4.19	4.20
Brambles Ind.	26.35	25.80	25.95	26.34
CBA	15.60	15.33	15.48	15.38
CC Amatil	16.50	16.25	16.40	16.58
Coles Myer	6.91	6.60	6.91	6.73
Comalco	7.35	7.25	7.30	7.35
CSR	5.15	5.04	5.08	5.05
Fosters Brew	2.52	2.50	2.50	2.51
Goodman Fld	1.87	1.84	1.84	1.84
ICI Australia	12.45	12.40	12.60	12.40
Lend Lease	27.80	27.60	27.73	27.80
MIM Hdgs	2.10	2.05	2.08	2.06
Nat Aust Bank	18.96	18.80	18.90	18.95
Nat Mutual Hdg	2.12	2.06	2.11	2.07
News Corp	6.44	6.29	6.41	6.38
Pacific Dunlop	3.79	3.67	3.77	3.72
Pioneer Intl	5.10	4.92	5.02	4.95
Pub Broadcast	7.60	7.40	7.52	7.34
Rio Tinto	22.60	22.40	22.45	22.62
St George Bank	8.68	8.48	8.65	8.50
WMC	8.80	8.65	8.74	8.69
Westpac Bking	8.03	7.90	7.92	8.05
Woodside Pet	11.28	10.86	10.87	11.16
Woolworths	4.38	4.25	4.29	4.30

Taipei
Stock Market index: 8925.12 Previous: 8883.13

	High	Low	Close	Prev.
Cathay Life Ins	168	160	160	163
Chang Hwa Bk	120	114.50	115	118
Chiao Tung Bk	81.50	76	81.50	73.50
China Develpmt	144	137	140.50	148
China Steel	29.10	28	28	28.80
First Bank	120	114	114.50	117.50
Formosa Plastic	75	73	74.50	74
Hua Nan Bk	118	112.50	114	116
Intl Comm Bk	72	68	68.50	71
Nan Ya Plastics	88	85	86	87
Shin Kong Life	111.50	106	107.50	107
Taiwan Semi	115.50	105	115.50	110
Tatung	58	55.50	56	56
Utd Micro Elec	113	101.50	113	102
Utd World Chin	73.50	68	68	70

Tokyo
Nikkei 225: 20436.14 Previous: 20385.54

	High	Low	Close	Prev.
Ajinomoto	1230	1210	1220	1210
All Nippon Air	720	707	707	717
Amway	4000	3970	3980	4000
Asahi Bank	904	892	904	880
Asahi Chem	682	670	682	667
Asahi Glass	1130	1120	1130	1120
Bk Tokyo Mitsu	2190	2160	2180	2180
Bk Yokohama	600	583	600	599
Bridgestone	2600	2540	2560	2510
Canon	3070	3020	3040	3060
Chubu Elec	2120	2110	2120	2120
Chugoku Elec	2050	2040	2050	2050
Dai Nipp Print	2490	2480	2490	2490
Daiei	771	762	765	777
Dai-Ichi Kang	1450	1420	1430	1420
Daiwa Bank	535	529	531	529
Daiwa House	1350	1330	1350	1300
Daiwa Sec	903	891	903	895
DDI	8400a	8170a	8390a	8200a
Denso	2650	2610	2630	2560
East Japan Ry	5750a	5530a	5590a	5630a
Eisai	2170	2150	2150	2170
Fanuc	4370	4220	4340	4220
Fuji Bank	1650	1620	1640	1650
Fuji Photo	4470	4390	4460	4360
Fujitsu	1600	1570	1590	1570
Hachijuni Bk	1150	1130	1140	1140
Hitachi	1340	1320	1340	1330
Honda Motor	3290	3240	3270	3210
IBJ	1640	1630	1620	1630
IHI	445	442	445	442
Itochu	606	596	603	606
Ito-Yokado	7640	6970	7000	7040
JAL	506	508	500	503
Japan Tobacco	9350a	9000a	9180a	9370a
Jusco	4030	3970	3990	3930
Kajima	669	645	647	671
Kansai Elec	2280	2270	2280	2280
Kao	1600	1580	1590	1580
Kawasaki Hvy	523	514	522	514
Kawa Steel	358	355	357	348
Kinki Nipp Ry	793	780	780	783
Kirin Brewery	1180	1170	1180	1160
Kobe Steel	215	211	211	214
Komatsu	908	900	906	898
Kubota	559	550	558	554
Kyocera	9010	8940	9010	8990
Kyushu Elec	2030	2010	2020	2030
LTCB	466	440	461	440
Marubeni	519	512	514	516
Marui	2310	2260	2290	2270
Matsu Comm	4070	4010	4030	3990
Matsu Elec Ind	2380	2260	2270	2250
Matsu Elec Wk	1300	1280	1290	1290
Mitsubishi	1420	1380	1400	1400
Mitsubishi Ch	362	357	362	358
Mitsubishi El	663	653	660	649
Mitsubishi Est	1610	1580	1610	1590
Mitsubishi Hvy	860	853	858	851
Mitsubishi Mat	833	824	832	830
Mitsubishi Tr	1750	1720	1750	1730
Mitsui	1090	1080	1090	1080
Mitsui Fudosn	1550	1520	1540	1530
Mitsui Trust	851	835	846	848
Murata Mfg	4500	4470	4500	4530
NEC	1670	1650	1670	1650
Nikon	1900	1870	1900	1860
Nikko Sec	698	678	686	698
Nintendo	9600	9420	9550	9400
Nipp Express	921	910	916	921
Nippon Oil	633	625	629	632
Nippon Steel	353	349	351	350
Nissan Motor	816	807	807	802
NKK	237	235	237	235
Nomura Sec	1440	1420	1430	1430
NTT	1080b	1060b	1080b	1070b
NTT Data	4650b	4610b	4640b	4650b
Oji Paper	697	691	697	694
Osaka Gas	314	310	314	309
Ricoh	1510	1500	1500	1510
Rohm	11600	11400	11600	11300
Sakura Bk	874	836	842	864
Sankyo	3660	3610	3650	3700
Sanwa Bank	1680	1600	1640	1670
Sanyo Elec	520	513	515	515
Secom	8420	8370	8380	8380
Seibu Rwy	5930	5900	5900	5940
Sekisui Chem	1180	1170	1180	1180
Sekisui House	1160	1140	1150	1150
Seven-Eleven	8920	8880	8900	8900
Sharp	1538	1500	1520	1530
Shikoku El Pwr	1990	1970	1970	1990
Shimizu	685	678	680	688
Shin-etsu Ch	3090	3050	3080	3070
Shiseido	1870	1850	1850	1850
Shizuoka Bk	1250	1230	1250	1230
Softbank	7400	7260	7270	7250
Sony	9920	9820	9870	9830
Sumitomo	1020	1000	1010	1010
Sumitomo Bk	1780	1730	1750	1780
Sumit Chem	517	513	517	518
Sumitomo Elec	1860	1840	1860	1850
Sumit Metal	314	310	314	312
Sumit Trust	1180	1160	1170	1170
Taisho Pharm	2970	2950	2970	2960
Takeda Chem	3230	3170	3170	3220
TDK	8430	8300	8360	8410
Tohoku El Pwr	2070	2050	2060	2060
Tokai Bank	1100	1060	1100	1090
Tokio Marine	1410	1390	1410	1410
Tokyo El Pwr	2420	2390	2390	2420
Tokyo Electron	5730	5620	5680	5750
Tokyo Gas	314	309	314	312
Tokyu Corp.	710	702	709	708
Tonen	1480	1460	1470	1470
Toppan Print	1760	1730	1740	1750
Toray Ind	809	801	809	801
Toshiba	754	747	747	749
Tostem	3170	3150	3160	3140
Toyo Trust	925	909	920	905
Toyota Motor	3380	3330	3350	3350
Yamanouchi	3140	3040	3070	3120

a: x 100; b: x 1,000

Toronto
TSE Industrials: 6482.87 Previous: 6511.43

	High	Low	Close	Prev.
Abitibi Cons.	25.45	24.95	25.10	25½
Alberta Energy	35	34.60	34.90	34.60
Alcan Alum	48.85	48	48.15	48¾
Anderson Expl	18.20	17.20	17.20	18.20
Bk Montreal	53.90	53.20	53.70	53.45
Bk Nova Scotia	58¼	57.80	58.55	57.85
Barrick Gold	31.90	30.20	30.90	31.85
BCE	39.90	39.55	39.60	40
BC Telecomm	32	31.80	31.80	31.80
Biochem Pharm	33.40	33.40	33.40	33.20
Bombardier B	31¾	31.05	31.65	31.15
Brascan A	34.70	34.20	34.30	34.65
Cameco	52.90	52	52¼	52¾
CIBC	35.10	34.40	34.90	34.55
Cdn Natl Rail	59.30	58.70	58.85	58.60
Cdn Nat Res	36.45	36.20	36.20	36.45
Cdn Occid Pet	30.80	30.40	30.45	30.70
Cdn Pacific	39.85	39.45	39.45	39.65
Cominco	38.10	36.85	37.30	38.10
Dofasco	26.45	26.10	26.30	26.45
Domtar	12.35	12.20	12.30	12.20
Donohue A	29	28.70	28.95	28.70
Du Pont Cda A	32	31	31½	31½
Edper Group	23¼	23¼	23¼	23.40
Euro-Nev Mng	42	40¾	41¼	41
Fairfax Finl	376	360	376	362
Falconbridge	28.40	27¾	27¾	28.35
Fletcher Chall A	24.15	23¾	24.15	24
Franco Nevada	69¾	69¼	69	68.80
Gulf Cda Res	12.65	12.30	12¼	12.40
Imperial Oil	71.20	70.55	70.70	71.10
Inco	43.30	42.60	42.85	43.45
IPL Energy	45	44¼	44.90	44.65
Laidlaw B	20	19.70	19.90	19.95
Loewen Group	46.90	46¼	46.45	46.80
Macmill Bld	20.60	20.30	20½	20.60
Magna Intl A	85½	84¼	84¼	85½
Methanex	13	12.90	12.95	13
Moore	30.10	29.95	30.10	30.10
Newbridge Net	62	60¾	60.90	61.80
Noranda Inc	30.65	29.85	29.95	30½
Norcen Energy	32.70	32.30	32¼	32.60
Nthern Telecom	124.70	122.80	123	124¼
Nova	11½	11.40	11.45	11.45
Onex	27¼	27.65	27.65	27½
Pancdn Petlm	29.80	29¼	29¼	29¾
Petro Cda	22.90	22.70	22.80	22.95
Placer Dome	23.85	22.55	23.10	23.70
Poco Petlm	14.40	14.10	14.15	14.10
Potash Sask	107¼	105.05	107¼	106.20
Renaissance	39¼	38.90	39.05	39.20
Rio Algom	35.15	34¼	34¼	35.20
Rogers Cantel B	26½	26¼	26½	26.60
Seagram Co	56.65	56¼	56.35	56.65
Shell Cda A	41.95	41.20	41.30	41½
Suncor	38	37.20	37¼	37.70
Talisman Eny	42¾	42¼	42¾	43¼
Teck B	28½	27½	28	28¼
Teleglobe	52½	52	52.45	52.10
Telus	25.40	25.10	25¼	25.35
Thomson	32.55	32.05	32½	32¾
TorDom Bank	42¾	42¼	42.40	42½
Transalta	16.45	16.30	16.40	16.40
TransCda Pipe	28.05	27.70	27.85	27.85
Trimark Finl	60½	58	59.95	62
Trizec Hahn	31	30¼	30.95	30.80
TVX Gold	7¾	7.30	7.60	7¾
Westcoast Eny	25½	25.20	25.40	25.35
Weston	92	90	91	91½

Vienna
ATX index: 1290.87 Previous: 1302.47

	High	Low	Close	Prev.
Boehler-Uddeh	957	944	952	957
Creditanst Pfd	499	487.50	489.40	499.90
EA-Generali	3180	3145	3145	3155
EVN	1651.35	1603	1610	1650
Flughafen Wien	503	494	497.95	498
OMV	1560	1523	1548	1547.90
Oest Elektriz	867	857.70	857.70	866
VA Stahl	561.25	556	558.50	560
VA Tech	2230	2180.40	2180.40	2195.50
Wienerberg Bau	2530	2500	2515	2549

Wellington
NZSE-40 index: 2414.87 Previous: 2422.60

	High	Low	Close	Prev.
Air N Zeald B	4.32	4.32	4.32	4.32
Brierly Invt	1.38	1.37	1.37	1.38
Carter Holt ord	3.57	3.54	3.57	3.60
Fletch Ch Bldg	4.36	4.33	4.33	4.37
Fletch Ch Eny	4.44	4.40	4.43	4.37
Fletch Ch Forst	2.12	2.10	2.10	2.14
Fletch Ch Paper	3.48	3.41	3.48	3.48
Lion Nathan	3.73	3.72	3.72	3.74
Telecom NZ	7.32	7.25	7.28	7.34
Wilson Horton	11.70	11.70	11.70	11.75

Zurich
SPI index: 3530.10 Previous: 3518.12

	High	Low	Close	Prev.
ABB B	2168	2153	2160	2161
Adecco B	589	565	579	582
Alusuisse R	1527	1491	1527	1500
Ares-Serono B	2205	2170	2205	2190
Alel R	856	856	856	863
Baer Hdg B	2226	2200	2226	2222
Baloise Hdg R	3440	3390	3400	3425
BK Vision	1200	1189	1198	1193
Ciba Spec Chem	137.25	134.50	137	135
Clariant R	935	908	916	934
Crd Suisse Gp R	192	188.25	192	192.50
Elektrowatt B	541	539	541	541
Ems-Chemie	6520	6460	6460	6500
ESEC Hdg	4830	4700	4800	4800
Holderbank B	1399	1351	1395	1380
Liechtenst LB B	515	505	515	508
Nestle R	1894	1837	1890	1847
Novartis R	2283	2262	2276	2290
Oerlikon Buehr R	168	167	167.50	168
Pargesa Hld B	1980	1925	1948	1965
PharmVision B	842	830	842	833
Richemont A	1935	1905	1924	1940
Pirelli PC	284	278	284	278
Roche Hdg PC	13560	13255	13500	13245
SBC R	377	370.50	373.50	372.50
Schindler PC	1890	1850	1870	1890
SGS B	3100	3005	3100	3015
SMH B	881	866	877	892
Sulzer R	1359	1342	1342	1350
Swiss Reins R	2067	2027	2049	2067
Swissair R	1623	1592	1610	1636
UBS B	1719	1705	1716	1719
Winterthur R	1288	1263	1284	1280
Zurich Assur R	567	556	565	555

The Trib Index

Prices as of 3:00 P.M. New York time

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	175.18	+0.75	+0.43	+17.46
Regional Indexes				
Asia/Pacific	130.36	+1.47	+1.14	+5.61
Europe	180.57	-0.03	-0.02	+12.02
N. America	205.96	+0.56	+0.27	+27.21
S. America	167.23	-1.27	-0.75	+46.14
Industrial Indexes				
Capital goods	217.88	+1.18	+0.54	+27.47
Consumer goods	197.53	+0.38	+0.19	+22.36
Energy	205.60	+0.26	+0.13	+20.44
Finance	130.68	+0.73	+0.56	+12.21
Miscellaneous	173.54	+1.59	+0.92	+7.27
Raw Materials	186.51	-0.28	-0.15	+6.35
Service	165.08	-0.11	-0.07	+20.22
Utilities	152.08	-0.63	-0.41	+6.01

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

NYSE

Monday 4 p.m. Close

(Continued)

INTERNATIONAL FUNDS LISTING

Track the performance of over 1,800 international funds, every day, on the IHT site on the World Wide Web.

http://www.iht.com

Continued on Page 17

هكذا من الأصل

هكذا من الاصل

China's Evil Model

Corruption Is a Concern in Hong Kong

Reuters

BEIJING — Corruption, a way of life for business in China, could be the wave of the future for Hong Kong.

As the colony prepares for its return to Chinese sovereignty on July 1, opinion surveys show that erosion of the rule of law is one of the top worries for residents.

"Hong Kong will probably look a bit more like China does today," a Western diplomat in Beijing said. "But the key is in Hong Kong's court system. We will want to see whether the courts remain independent."

Chinese and Western businessmen on this side of the border routinely complain of the need for "grease" to turn the heavy machinery of China's officialdom.

Permits, licenses or just space for someone's goods on a shop shelf are all fair game for a little bit of graft or the need to "take care of one's friends."

China did little to help its reputation or build confidence in Hong Kong with the notorious remark by a police official, Tao Siju, that the territory's criminals could be tolerated as long as they were patriotic.

Even China's state-run television has been alarmed at the problem of officials' toleration — if not participation — in illicit business.

Television recently broadcast a program devoted to unmasking policemen who doubled as enforcers for brothels, discos and gambling dens. In a more recent display of the sometimes fine distinction between breakers and enforcers of the law, protesters staged a sit-in demonstration outside Communist Party headquarters in Beijing last week, alleging that they had been swindled by none other than the State Security Ministry — the government agency in charge of maintaining internal stability.

Protesters said that a real estate company belonging to the ministry, which redeveloped their property, had reneged on its pledge to give them new apartments, leaving them homeless.

"China has consistently scored poorly in our surveys of expatriates in the region for corruption problems," said Bob Broadfoot of Political & Economic Risk Consultancy in Hong Kong. "The worrisome point for the future is cross-border corruption."

China has made strides in strengthening its legal system but many of its commercial rules remain unpublished while statutes on the books are not always enforced.

These are already among the top concerns of U.S. companies in China, says the American Chamber of Commerce in Beijing.

"It goes beyond the publishing of rules," said John Holden, chairman of the Chamber of Commerce. "It is also an issue of enforcement. We won't have the legal protection we need until we have better enforcement."

Hong Kong, however, has a legal system founded on more than 150 years of British colonial rule to hold the line on a seepage of corruption from the mainland.

It also has the powerful crime-busting agency, the Independent Commission Against Corruption.

"It will be interesting to see what happens when the first 'princeling' runs afoul of the law," said a diplomat, referring to the privileged offspring of Beijing's high officials who have sometimes proved able to flout Chinese law with impunity.

Among the most well-known princelings is Deng Zhifang, son of Deng Xiaoping, the late paramount leader. The son has quietly resigned as a deputy chairman of a Hong Kong subsidiary of the giant Capital Iron and Steel.

The chairman of the subsidiary — another princeling — has been jailed for life for corruption.

Analysts in Beijing said that one fear is that Chinese organizations might try to muscle their way into lucrative businesses in Hong Kong under the threat of blocking deals on the mainland.

But others contend that China will learn to adapt to the Hong Kong system, rather than disrupt it.

Referring to Chinese companies, Huang Hai, an attorney who specializes in commercial law, said, "There is no reason why they can't learn to do things the Hong Kong way."

Eric Draper/The Associated Press

A vendor sorting through some of the 50 competing papers published daily in Hong Kong. Their future under China is uncertain.

Rule Hits Red-Chip Stocks

Hong Kong Reels On China Law

Compiled by Our Staff From Dispatches

HONG KONG — The stocks of Chinese investment companies listed in Hong Kong fell sharply Monday as investors reacted to new rules that make it harder for the so-called red chips to buy assets from their mainland parents.

An index of 41 red-chip stocks compiled by Bloomberg News fell nearly 2 percent, to 305.50. Oriental Metals Ltd. and Denway Investment Co. each fell more than 7 percent.

The benchmark Hang Seng Index fell 133.13 points to 15,021.23.

Analysts said the slump might be short-lived. Companies backed by city governments or national government agencies will probably keep rising, they said.

Under the rules released Friday, red-chip companies must gain approval from the relevant authorities to buy assets from their parent companies. New listings will be more strictly regulated.

A report on the rules by the Xinhua news agency said asset transfers to foreign listed or unlisted companies would require local regulators to notify provincial governments or relevant departments of the Chinese cabinet. The move signals regulators' unease with the way companies raise money in Hong Kong and buy mainland assets.

The chief of the Hong Kong exchange, meanwhile, sought to quell concerns that enthusiasm for red-chip stocks, and Hong Kong shares in general, is overblown.

Edgar Cheng said, "Despite the rise in our market this year, the price-to-earnings ratios of the great majority of Hong Kong stocks, including most of our 'blue chips,' are still far from high compared to other regional markets with comparable economic prospects."

(Bloomberg, AFP)

Investor's Asia

Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	15,021.23	15,154.36	-0.88
Singapore	Straits Times	2,034.79	2,008.44	+1.31
Sydney	All Ordinaries	2,706.30	2,712.60	-0.23
Tokyo	Nikkei 225	20,436.14	20,385.54	+0.25
Kuala Lumpur	Composite	1,088.98	1,097.54	-0.78
Bangkok	SET	504.53	480.25	+5.06
Seoul	Composite Index	753.05	770.22	-2.23
Taipei	Stock Market Index	8,925.12	8,882.13	+0.48
Manila	PSE	2,808.65	2,881.73	-2.54
Jakarta	Composite Index	719.54	712.22	+1.04
Wellington	NZSE-40	2,414.87	2,423.60	-0.36
Bombay	Sensitive Index	4,089.20	4,083.04	+0.15

Source: Telekurs International Herald Tribune

Very briefly:

• **Daewoo Group** of South Korea will soon be assembling cars in China, the group's chairman said. Kim Woo Choong said he was confident of being able to build a car assembly plant with an annual capacity of 200,000 units in China by 1999.

• The first Chinese companies to issue corporate convertible bonds could go to the market as early as October, with several issues expected by the end of 1997, underwriters said.

• **Honeywell Inc.**, a U.S. maker of automation equipment, said it expects annual sales in China to double from last year to $1 billion by 2000 because of rising spending on power plants and other infrastructure.

• **Singapore Power, United Engineers Ltd.** and **Government of Singapore Investment Corp.** said they would join a Chinese consortium to build a $560 million power plant in China's Anhui Province. The Singapore partners will hold a 49 percent stake in the project.

• **Imperial Chemical Industries PLC** put about 52 percent of its Australian subsidiary on the auction block in a global offering it hopes will raise around 2 billion Australian dollars ($1.5 billion).

Reuters, AFX, Bloomberg

U.S. and Hong Kong Currencies to Stay Linked

Compiled by Our Staff From Dispatches

HONG KONG —The Hong Kong dollar will remain pegged to the U.S. dollar for the foreseeable future, and huge foreign-exchange reserves in Hong Kong and in China should protect it from attack, monetary officials and business people said Monday.

"The government of Hong Kong will continue its commitment to maintain the link after June 30, 1997," said Norman Chan, deputy chief executive of the Hong Kong Monetary Authority, at a business forum. The authority acts as Hong Kong's central bank.

The Hong Kong dollar is currently fixed at a rate of 7.80 to the U.S. dollar.

"It's easy to put a political spin on this but, overall, Hong Kong's importance to China is economic," said T. C. Chan, head of commercial banking for Citibank in Hong Kong. "China clearly sees that, and there is absolutely no economic reason for them to tamper with the current system."

Mr. Chan dismissed as "groundless" any fears that China would dip into the territory's foreign-exchange reserves, which stood at $67 billion at the end of May.

He also described as "unfounded" the view that the Hong Kong dollar would be supplanted by the Chinese yuan as the territory's currency, despite the mainland's efforts to gradually increase the currency's convertibility.

Hong Kong's agreements with 10 other Asian central banks, which allow it to borrow funds quickly using U.S. Treasury bonds and bills as collateral to fight speculation, was another positive factor, he said.

Agreements and commitments from Chinese leaders, central bankers and Hong Kong's leader-in-waiting, Tung Chee-hwa, have guaranteed that the existing system will continue unchanged for many years, Mr. Chan of the monetary authority said.

Richard Margolis, a political analyst with Merrill Lynch & Co., said recently that "the commitments to a separate and autonomous fiscal and monetary system for Hong Kong after the transition are clear and unequivocal and are enshrined in the Basic Law, Hong Kong's post-1997 constitution.

"The evidence of the manner in which these issues were handled during the negotiations on Hong Kong's future is that China regards the peg as an integral part of a winning recipe that operates to China's advantage as well as Hong Kong's."

Mr. Chan of Citibank said that while the peg was "susceptible to a number of pressures," including speculative attack, Hong Kong had sufficient funds and China has vowed to tap into its own reserves if necessary to support the Hong Kong currency.

(Reuters, AFP)

Taiwan Chipmaker Is Upbeat

Bloomberg News

TAIPEI — Taiwan Semiconductor Manufacturing Co. said Monday that it would raise its forecast for 1997 profit by as much as 20 percent, triggering the biggest one-day rally in Taiwan technology stocks in two years.

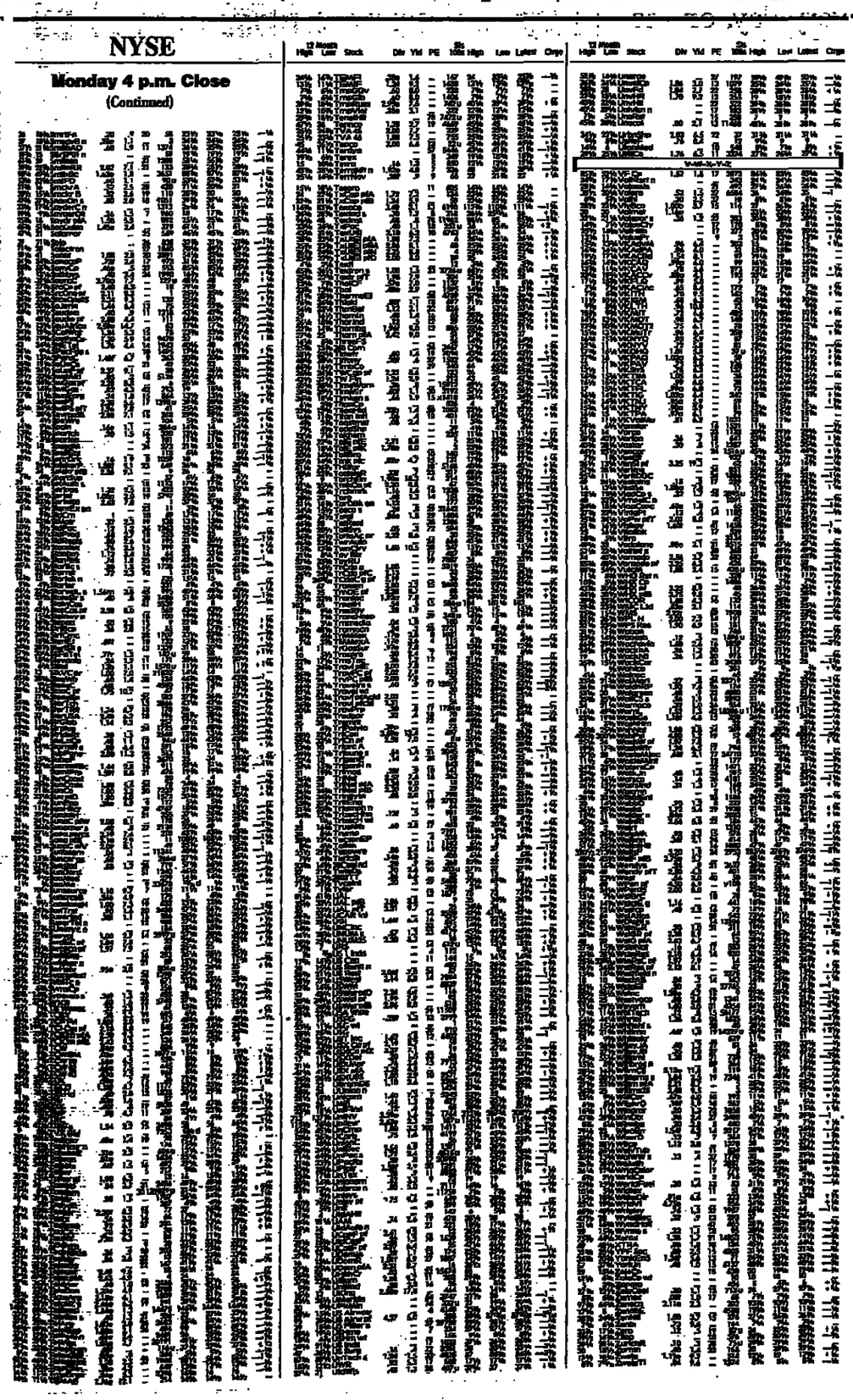
The announcement by TSMC, the world's largest computer microchip foundry, bodes well for the island's other computer and technology companies, analysts said.

Confidence is growing that these companies will deliver profits that keep them among among the top performers in one of this year's best-performing markets. "Nobody wants to be caught without chip shares," said Jonathan Ross, Taiwan country manager for AMB-Amro Hoare Govett Asia Ltd.

NYSE

Monday 4 p.m. Close

(Continued)



Shareholders Plan To Seek Answers In Sumitomo Case

Bloomberg News

TOKYO — A group of Sumitomo Corp. shareholders will demand Friday that the company explain why it will not file a civil lawsuit against its former star copper trader who racked up $2.6 billion in losses over 10 years.

In an unusual move, the shareholders have sent the company a list of questions they want answered at the company's general shareholders meeting in Osaka.

"If we wait until the day of the shareholders meeting, Sumitomo may not answer our questions, saying only that they'll study the questions," said a shareholder, Kazuyoshi Yuoka.

Yasuo Hamanaka, Sumitomo's former chief copper trader, went on trial in February and pleaded guilty to charges of fraud and forgery in connection with losses from unauthorized trades.

Last month, Sumitomo said it was unlikely that it would make public the results of its internal investigation because of pending legal action against it in the United States.

The group's questions will focus on Sumitomo's internal investigation into the illegal copper deals; its decision not to sue Mr. Hamanaka; whether Sumitomo's auditors were aware of the illegal copper trades, and discrepancies in the amounts in losses reported.

Thai Finance Plan Delayed

New Minister Wants More Time to Study Proposals

Compiled by Our Staff From Dispatches

BANGKOK — Thailand on Monday delayed a plan to shore up its ailing finance and property sectors, saying the new finance minister needed more time to study the steps.

Before the government said it would delay the measures, Thai stocks posted their biggest gains in four months. The Stock Exchange of Thailand index rose 24.28 points, or 5 percent, to 504.53.

Deputy Finance Minister Thawatwong na Chiang Mai said the new finance minister, Thanong Bidaya, who was sworn in Monday, would not have time to review the measures before a cabinet meeting Tuesday.

"The ministry should give him time to study the major issues," he said, adding that he could not say when the package of executive decrees would be proposed to the Thai cabinet.

The package includes measures to speed the merger of cash-strapped finance companies, to create a legal basis for the securitization of assets, and to set up a secondary mortgage cooperation scheme.

The securitization and mortgage decrees would allow finance companies to sell, rather than write off, bad loans and other assets. For the moment, such assets cannot be traded on Thailand's underdeveloped capital markets, analysts said.

With the delay in the measures, some analysts worried that finance companies would go into a planned program of mergers with a negative net value because they could not sell undesirable assets. Banks and finance companies are estimated to hold 800 billion baht ($32 billion) in bad loans, mainly involving real estate.

Other analysts, however, said the measures, although essential, were insufficient.

"I don't think these decrees would have much impact whether they are adopted this week or next," said Thanawat Pachimkul of Seamico Securities PLC. "They are at relatively lower priority than renewed speculation about the baht.

"The decrees would help the finance sector, but any mergers would take time anyway," he added.

Thailand's 91 finance firms have faced a severe liquidity crunch from bad loans, shaky confidence in their stability and prolonged high financing costs in the Thai money market. They have also been hit by the slump in the stock market, which has fallen nearly 40 percent this year.

(Reuters, Bloomberg, AFP)

U.S. Urges Hands-Off Internet Trade

Agence France-Presse

SINGAPORE — Washington wants a universal code to govern Internet transactions and a "hands-off" regulatory approach by governments to raise electronic commerce, a senior U.S. official said here Monday.

President Bill Clinton plans to issue an Internet strategy report on July 1 setting a Jan. 1, 2000, deadline for agreement on the code to take effect, said Ira Magaziner, an adviser to Mr. Clinton.

The report would call for a uniform approach to electronic commerce on issues such as taxes and duties, content restrictions and standards, the adviser said.

Mr. Magaziner said the report would come with a "road map" of dates for countries to negotiate key issues involved in electronic commerce, such as taxes, tariffs, privacy, security and non-tariff barriers.

"We believe that if the right environment can be set, electronic commerce can become our largest category of trade within the next decade," Mr. Magaziner told reporters before ending a two-day visit to Singapore.

Some 15-to-20 percent of retailing in the United States would be done on Internet in 10 years, Mr. Magaziner said, and a large portion of financial services would be done in cyberspace.

Electronic commerce includes the sale and delivery of products and services on the Internet such as software, movies, consultant and educational services, health diagnostics, data bases and news.

The lack of a predictable global legal environment has impeded the growth of electronic commerce, Mr. Magaziner said, adding that U.S. businesses wanted an agreement among governments and private sectors to create such a framework.

Mr. Magaziner heads a task force charged with setting principles for development of Internet commerce.

The group has met with experts, business representatives and consumer groups to prepare recommendations for the development of a "free and open global electronic marketplace."

"First of all we think it is very important that the global electronic commerce should be a market-based industry, not a regulated industry," Mr. Magaziner said.

"In principle, governments should take a hands-off approach to electronic commerce, should not treat it as a regulated industry but rather should treat it as an industry where contracts form the basis for business, not regulation."

In other areas, nations developed domestic industries and legal structures and came together to negotiate on a global basis, but the Internet was different because it was "born global," he said.

The report was expected to suggest establishing cyberspace as a duty-free zone, advocate no new taxes, oppose compulsory licensing and call for measures to protect intellectual property.

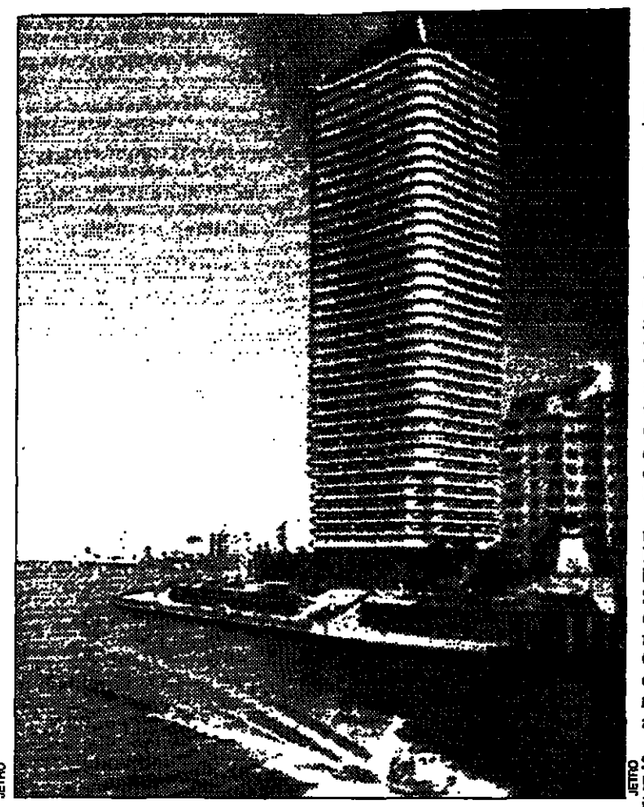
JAPAN PACIFIC FUND
SICAV
11, rue Aldringen, L-1118 Luxembourg
R.C. LUXEMBOURG N B 8.340

DIVIDEND NOTICE

At the Annual General Meeting held on June 18th, 1997, the shareholders resolved to declare a dividend of Yen 50 per share, payable on July 15th, 1997 to shareholders on record on July 15th, 1997 and to holders of bearer shares upon presentation of coupon n 27. The shares will be quoted ex-dividend as from July 15th, 1997.

Paying Agent: Kredietbank S.A. Luxembourgeoise, 43, boulevard Royal, L-2955 Luxembourg

BUILT FOR BUSINESS: JAPAN



A country on the move: The different sectors of Japan's economy are back on course. Right: Consumers keep fast-food outlets busy all day long, attracted by teriyaki burgers and other products adapted to local tastes. Far right: Housing remains expensive in metropolitan areas, but there is demand for developments like the high-rise condominium complex "Rivercity 21," located along the waterfront of Tokyo Bay.

JETRO

THERE'S GOOD NEWS AND BAD NEWS FOR THE ECONOMY

Economic growth was robust in the first quarter of 1997, and companies are optimistic even as they tighten their belts.

Like its landscape and people, Japan's economy is full of contrasts in 1997. According to a recent survey, most companies surveyed expect sales to improve this year, but growth of the gross domestic product is expected to decline. Exports of cars, electronics and other products are rising, while a hike in the domestic sales tax has hampered results at home.

The stock market is bouncing back, though investment banks and securities firms are tightening their belts and payrolls to prepare for deregulation. The government sees a need to support certain sectors of the economy more than last year; however, it will move ahead with plans to cut fiscal spending in order to reform the budget.

Despite the contrasting scenarios, Japan's economic fundamentals are improving, analysts say. The more the country deregulates and initiates reforms in the short term, the better off it should be in the long run. In the meantime, conditions in Japan will continue to challenge both the private and public sector, employers and workers, and producers and consumers.

Fairly optimistic

The current statistical picture is fairly optimistic following the tumult of spending that preceded the hike in Japan's consumption tax to 5 percent from 3 percent on April 1. The gross domestic product grew 6.6 percent on an annualized basis in the first quarter, although higher taxes should limit growth for the rest of the year.

Retail sales jumped 14 percent in March from a year before, while housing starts rose 2.4 percent from February, according to the Bank of Montreal.

The jobless rate eased to 3.2 percent in March, from 3.3 percent in February.

The robustness of the economy in the first quarter led manufacturing companies surveyed by the Bank of Japan in March to express their first positive sentiment in five years. The so-called Tankan index rose to +2 in March, from -3 in November of last year. Growth in the country's export performance was cited as a major reason for the turnaround in the index.

Opportunities for graduates

Exports have also led some companies to begin recruiting students upon college graduation — a practice many had abandoned during the past few years.

Nonetheless, the June Tankan survey could decline to -1 as consumption slows. The country's GDP growth is expected to fall to 1.9 percent this year, from 3.2 percent last year, though it could rebound to 2.5 percent in 1998, some analysts say. Interest rates should continue to stay low until the expansion becomes more durable. ●

"BUILT FOR BUSINESS: JAPAN"
was produced in its entirety by the Advertising Department of the International Herald Tribune.
WRITER: *Janet Levaux is based in Los Angeles.*
PROGRAM DIRECTOR: *Bill Muhder.*

JAPAN INC. TAKES SHOW ON THE ROAD

High-tech companies are expanding overseas.

Japanese high-tech companies are teaming up with partners from the United States and other countries and investing abroad in order to expand their international business. These links are proving vital for Japanese companies that want to enter new markets in China, for instance, and increase their market share in developed countries like the United States.

Deals are being announced on a daily basis. NEC Corp. struck one of the biggest a few weeks ago with Shanghai Hua Hong Microelectronics. The two companies, in cooperation with the Chinese government, will develop a $1 billion chip-making factory in Shanghai, according to recent reports.

$7 billion market

Demand for semiconductors is booming in China. That market is now worth $7 billion and could more than double over the next few years, according to sources cited by The Economist magazine.

In return for access to this growing business, NEC — the world's second-largest chip maker — will be sharing its latest chip-making methods with China. The electronics company can now squeeze 700 or more memory chips on a single eight-inch silicon wafer, which tops the 450-chip wafers now made by some rivals.

Many of Japan's other chip makers have been developing chip plants in the United States. When prices on some chips fell dramatically last year, however, Hitachi Ltd., now ranked sixth among chip makers in terms of sales, put construction work on its microprocessor plant in Texas on hold until recently. The company has announced that it will begin work again due to a pickup in demand for microprocessors. Production at the $350-million plant is set to begin in the second half of 1998.

Silicon Valley

When it comes to electronic products using chips, Japanese companies are equally busy on joint ventures and work overseas. Many are concentrating on ties with Silicon Valley in Northern California.

In early April, for instance, Japan's phone giant NTT Corp. set up a research center in Palo Alto to improve the development of its business products. The main focus will be on multimedia products, including Internet and Intranet technology.

NEC and Sumitomo Bank established a $60 million fund in April to invest in multimedia ventures in Silicon Valley and elsewhere. NEC believes this work will help it maintain its edge in computers, communications and electronic devices.

Mutual benefits

Japanese companies are taking steps to assist their global partners in expanding sales to Japan and other parts of Asia. NEC, for example, organized a program in early June to support the sales of its global software vendors. "The NEC Asian Alliance Program helps independent software vendors achieve success with NEC in these regions," says Angela Stenberg, manager of the NEC Systems Laboratory in San Jose, California. ●

THE YOMIURI SHIMBUN
¥435058
The Choice of Japan
• National Daily Circulation of Over 10 Million*
• 99.7% of Circulation is Home Delivered
• 2.9 Readers Per Copy
• Reaches 40% of Households in Major Regions, 23% Nationwide
• 40% of Readers Have Household Income Over ¥7 Million
• Over 120 Years in Business
Surveys show the Japanese place a high level of trust in newspapers.
The country's largest and most respected newspaper,
The Yomiuri Shimbun is also Japan's most effective advertising medium.
(*10,120,566: Source: ABC, Jan.-June 1996)

讀賣新聞
THE YOMIURI SHIMBUN
Japan's Most Influential Newspaper
1-7-1 Otemachi, Chiyoda-ku, Tokyo 100-55, Japan Tel.: 03-3216-8744 Fax: 03-3216-8749
To receive our media kit providing details on the Japanese market and competitive media statistics, contact your nearest representative.

WORLDWIDE REPRESENTATIVES

U.S.A.: Marston Webb International	60 Madison Avenue, Suite No. 1101, New York, NY 10010, U.S.A.	Tel: (212) 684-6601	Fax: (212) 725-4709
U.K.: Oliver Smith & Partners	18 Abbeville Mews, 88 Clapham Park Road, London SW4 7BX, U.K.	Tel: (0171) 978 1449	Fax: (0171) 978-1550
France/Switzerland: MEDIAWORLD	31 Rue La Boetie, 75008, Paris France	Tel: (1) 4074-0554	Fax: (1) 4074-0556
Italy: PAS s.r.l.	Via le Bianca Maria, 22, 20129 Milano, Italy	Tel: (02) 76013460	Fax: (02) 76013485
Germany: Publicitas J.A.R. GmbH	Rosenkavalierplatz 14, D-81925 München, Germany	Tel: (89) 21-99-68-0	Fax: (89) 21-99-68-24
Benelux: Insight Publicitas B.V.	Postbus 509, 1250 AM Laren, Netherlands	Tel: 3553-12042	Fax: 3553-10572
Spain: INFOTRADE S.A.	Edificio Pinar, Pinar, 8 Bis-3°F, 28006 Madrid, Spain	Tel: 411-33-14	Fax: 563-21-81
Australia: South Pacific Media	516 Easpoint Tower, 235 New South Head Road, Edgecliff, N.S.W. 2027 Australia	Tel: 2-363 9736	Fax: 2-326 2713
SIN/IND/MA/MAS: MarkMed Consultants	47 Hill Street, #04-06A Chinese Chamber Bldg., Singapore 179365	Tel: 3387070	Fax: 3385090

EXPORTS UP, BUT WILL THIS LAST?

Cars and electronics benefited from a weaker yen.

The main bright spots in Japan's economy over the past 12 months or so have come from some of the country's large carmakers and electronics companies, which have boosted their exports — thanks in part to the lower value of the yen — and are showing stronger profits.

This puts them in a stronger position globally, after the turmoil and cost-cutting of the past few years, and their success is also having an effect on other parts of Japan's economy. The recent strengthening of the yen, however, means there will be more pressure on exporters to come up with new products that can sell at higher prices overseas.

Toyota Motor Corp.'s sales rose close to 15 percent, to $100 billion, in the fiscal year ending in March. The number of exported vehicles rose more than 12 percent, to 1.3 million, and the company expects exports to grow about 7 percent this year, to 1.4 million.

In the electronics sector, Matsushita Electric Industrial Co. increased its overseas sales 18 percent, to $29 billion, in the fiscal year ending in March. Exports in all major product categories were up more than 8 percent.

Many companies — both large and small — are focusing their efforts on establishing more extensive sales networks in overseas markets. Yokugawa Electric Corp., for instance, plans to set up a unit in Singapore on July 1 to sell its control systems and measuring instruments. Working with the trading company Itochu Corp., Daifuku Co. plans to penetrate the Chinese market for bowling machines.

TOYOTA

Toyota expects to export 1.4 million vehicles this year, a 7 percent rise over 1996.

The booming trade between Japan and other parts of Asia (and the world) is also boosting one of Japan's oldest industries: shipbuilding.

Shipbuilder Sumitomo Corp., for example, won an order in early June from Hong Kong-based Top Glory Shipping Co. for 10 double-hull bulk cargo ships. The country's other shipbuilders say it looks like smooth sailing ahead for their exports as well. ●

YOU'LL KNOCK 'EM OUT IN TOKYO... UNLESS JET LAG KNOCKS YOU OUT.

هكذا من الأصل

You plan to come out swinging, close the deal, and go home a winner. Then jet lag hits you — hard.

What can you do? Head for the Hotel Okura and enroll in our unique Jet Lag Plan. Specially designed to get jet laggers up on their feet and raring to go, it includes a Light Box to help put your body's clock back on schedule, a Health Club workout and Jet Bath, Relaxation Videos, a Body Sonic Massage, your choice of pillows to help you sleep better (we'll even remember your favorite for your next visit), and special breakfast and dinner suggestions for extra energy.

The Jet Lag Plan is only ¥10,000 extra per day, or free for members of the Okura Club International, our special program for frequent guests. To receive a free brochure, simply send your name and address to our Public Relations Office.

Hotel Okura
TOKYO
Hotel Okura Tokyo, 2-10-4 Toranomon, Minato-ku Tokyo 105, Japan
Tel: 3-3582-0111 Fax: 3 3582-3707
Hotel Okura Offices Worldwide Hong Kong Tel: 2895-1717 New York Tel: 212-755-0733
Los Angeles Tel: 213-488-1477 London Tel: 0171-353-4994 Amsterdam Tel: 020-6761160
Reservation Codes. OC Internet access: http://www.travelweb.com; select "Independent Hotels on TravelWeb"

The Hotel Okura is the flagship hotel of the Hotel Okura Chain, and a member of The Leading Hotels of the World and UTELL International.

BUILT FOR BUSINESS: JAPAN

هكذا من الاصل

PERKS FOR FIRST-TIMERS AND FREQUENT TRAVELERS

Japan's hotel industry is more competitive than ever, and the customer should benefit.

A new batch of top-class lodging and meeting facilities — sponsored by both foreign and local investors — has cropped up in Japan recently, and that's good news for visitors and local residents alike.

Many hotels offer frequent-travel programs for those who come often to Japanese cities like Tokyo, but *they* also have special programs — including services such as meeting guests at the airport — for those who are new to Japan.

There are also good bargains to be had as hotels adjust rates and discount plans to accommodate the yen's changing value.

Special offers

Hotel chains offering special programs for frequent guests include the Prince Hotels and Four Seasons Hotel Tokyo. Prince Hotels' Prince Club International gives members 10 percent discounts on rooms at its 30 hotels worldwide. Special discounts at the Akasaka Prince Hotel in Tokyo lower the price of some rooms by 40 percent. At a sister facility, the Tokyo Prince Hotel, guests staying five nights get a 10,000 yen ($90) certificate for use at any Prince Hotel in Japan.

Other Prince Club perks include an extended check-out time (until 6 P.M.), and free breakfast and newspapers every day. Airport assistance is provided to guests traveling through New Tokyo International Airport.

Such help can be essential to busy visitors arriving at Narita Airport, at least 60 minutes away from central Tokyo by car.

Personalized service

Responding to this need, the Four Seasons Hotel Tokyo introduced its personalized arrival service last July. If requested in advance, a hotel staff member will greet guests outside customs and assist them with luggage, transportation and other arrangements.

The Four Seasons also offers access to the scenic Chinzan-so Garden near Tokyo's Imperial Palace. Modern comforts include multiple telephone lines, facsimile machines, a library service and call screening to make sure that incorrect calls aren't connected to a room between midnight and 5:00 A.M.

CARRASCO FOTOGRAM BYONE

Ninety-five percent of international travelers suffer from jet lag. The Hotel Okura's Jet Lag Plan — which combines special meals, exercise, relaxation and and a sleep regimen — is designed to get them back in shape faster than ever before.

E-mail and Internet access

For guests who need to be in touch with the home office around the clock, the nearby Imperial Hotel in Tokyo and its sister hotel in Osaka started offering visitors special e-mail and Internet services in April.

The new service lets guests send and receive electronic mail at a private address that is set up for 10 days at a time.

Internet access is included in the service's low flat rate, which allows guests to avoid paying international phone charges.

Help for jet lag

Another special program available to visitors coming to Japan is the Hotel Okura's Jet Lag Plan, which is part of the hotel chain's Okura Club International. The plan is designed to help world travelers switch time zones through proper diet, exercise program, relaxation and a sleep regimen.

For those who have already gotten over jet lag, the Hotel Okura in Tokyo, which recently celebrated its 35th birthday, has computers that can be used 24 hours a day in the business center. Guests staying at the hotel from Aug. 11 to Aug. 28 can visit a charity art exhibition for Red Cross Japan, featuring 60 works of art from Japan's five grand masters.

Japan's hotels are also hooking up with airlines to offer guests special benefits. The Hotel New Otani now awards 500 miles per stay to members of frequent-flier programs sponsored by American Airlines, British Airways, Japan Airlines, Northwest Airlines and United Airlines.

Such programs should keep visitors to Tokyo and other parts of Japan coming through the door. ●

INFORMATION TECHNOLOGY: HIGH QUALITY, INNOVATION AND COMPETITIVE PRICES

From cameras to video games, Japan is still the world leader.

Japan continues to lead the world in display panels, video games, cameras and other consumer products. The country's computer and computer-related equipment makers are strengthening their position in the market for computers thanks to the high quality of their display panels and related high-tech equipment.

Their aim is to do what they have done worldwide with television sets, videocassette records and stereos — to chalk up sales through innovative technology, top-quality manufacturing techniques and competitive pricing.

Big share of U.S. market

In 1996, four of the top 10 sellers of laptop computers in the United States were Japanese. Toshiba Corp. captured a 24 percent market share, up from 21 percent in 1995. Worldwide, Japanese laptop makers have about 37 percent of the market, and they are unveiling a host of new products this year to raise that figure.

A U.S.-based unit of Sony Corp. unveiled a new line of multimedia notebook computers in early June that promises to be a "no-compromise" computing solution for businesspeople and other computer users, the company says.

The notebook computers weigh about 5.3 pounds (2.2 kilos), including batteries; they are 1.5 inches (3.8 centimeters) thick and come with 12-inch screens. For fans of audiovisual technology, there are built-in stereo speakers and a microphone, as well as remote-control headphones.

In desktops, Sony is set to sell models in the United States in July that also include integrated video and audio technology.

In addition, these desktop models have video memory to support the use of digital-imaging software.

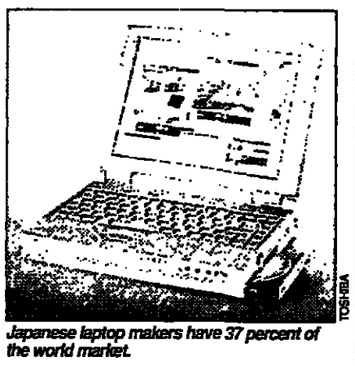
Matsushita Electric Industrial Co. introduced its line of lightweight, slim notebook PCs in May under its Panasonic PC brand name, and Hitachi Ltd. is hoping to shake up the market with handheld devices this year. Hitachi's latest Windows-based computers weigh less than 14 ounces; they offer a larger LCD screen than previous models, plus a modem.

DVD-ROMs

For computer users looking for the latest in audio-video technology, Hitachi has started shipping the world's first DVD-ROM drives. The new drives allow data to be recorded and played back on a PC, the company says. The rewritable DVD format also allows users to store 5.2 gigabytes of data — about the same amount of data that is normally stored on 3,600 floppy disks.

To support — and at the same time take advantage of — these developments, Japan's electronics companies are focusing on semiconductors that will make the next generation of computers and other products work faster and better.

Toshiba Corp., for instance, has been developing a new type of chip called LSI (large-scale integration), which enables the placement of various specialized circuits on a single chip. Thanks to LSI, Toshiba has been able to produce a 200-gram, palm-sized phone computer that can be used to browse the World Wide Web or talk on the phone for up to 270 minutes before a battery must be recharged. ●



TOSHIBA

Japanese laptop makers have 37 percent of the world market.

BITTER PILLS FOR A MAJOR TURNAROUND

Deregulation and reform could increase growth in Japan's gross domestic product.

Though bitter pills to swallow today, deregulation and reform are raising the expectation that Japan's economy can make a major turnaround over the next few years.

In early June, the country's Economic Planning Agency said the government's deregulation measures could push economic growth up almost 1 percent a year and — at the same time — limit the growth of consumer prices.

That would mean the country's gross domestic product could be 5.8 percent higher in 2003 than it would be otherwise.

The reason? By giving new freedom to Japanese industry, new products and services can be developed, the EPA says, and that should translate into new demand.

The big bang

The financial sector has been an important focus of deregulation through an effort referred to as Japan's "big bang." Perhaps the loudest pop will sound next spring for banks and other financial groups. They will be allowed to form holding companies to strengthen operations and absorb weaker institutions. This June, banks were allowed to begin selling loan-backed securities to individual investors and corporations.

Still in the works are steps to fully liberalize brokerage commissions for securities firms and even get rid of stock transaction and exchange taxes by late 1999. These moves are being pushed by financial groups that believe the liberalization of global transactions next April will put pressure on their domestic trading work.

In insurance, government panels have not yet agreed upon a date for a proposed change in rules that now ban banks from selling coverage. They may allow banks to sell life and fire insurance to mortgage borrowers. Further change, however, is strongly opposed by the insurance industry.

Changes in retail

Other interesting developments are taking place in the retail sector. Large retailers — like supermarket chains — are pressing for changes in the controversial Large-Scale Retail Store Law, which mandates that stores be no larger than 1,000 square meters (10,760 square feet). This size is expected to increase in the near future, and store hours should be extended beyond their present 8:00 P.M. limit, despite opposition from small shop owners.

Consumers should also benefit from the reform of rules governing gas stations. Some Japanese officials are recommending that gas stations be allowed to obtain oil products from more than one wholesale supplier.

A futures market for petroleum and the liberalization of exports will also be proposed.

Name of the game

At the federal level, streamlining and restructuring are the name of the game. Prime Minister Ryutaro Hashimoto and a group of lawmakers have proposed that the Prime Minister's Office be merged with the Home Affairs Ministry and Management and Coordination Agency. The aim is to improve the authority of the Cabinet and elected officials.

In early June, the Cabinet agreed to integrate and restructure 11 special government-approved corporations over the next few years. One of these corporations, the Power Reactor & Nuclear Fuel Development Corp., will be privatized. ●

JETRO

Shopping at one of Japan's luxurious department stores: Economic reforms are expected to boost economic growth while keeping a lid on consumer prices.

Herald International Tribune
SPORTS

WORLD ROUNDUP

Els Ousts Woods

GOLF Ernie Els became the first South African to head the world rankings following his U.S. Open and Buick Classic victories.

Els took over as No. 1 in the rankings Monday from Tiger Woods, who held the position for just one week.

On Sunday in Westchester, New York, Els won his second successive Buick Open. And, like last year, he led at the end of every round. He shot a two-under-par 69 in the final round to hold off Jeff Maggert, who also finished second last year. Els finished on 16-under-par 268, two strokes ahead of Maggert. *(Reuters)*

England Hangs On

CRICKET Michael Atherton and Mark Butcher shared an opening partnership of 162 Monday to ensure a draw for England in the rain-shortened second Ashes test against Australia at Lord's.

Shane Warne, the Australian spin bowler, created some tremors in the England dressing room when he dismissed Butcher for 87 and Nasser Hussain for 0 in successive overs. But Graham Thorpe (30 not out) and John Crawley (29 not out) survived. When play was finally called off on the fifth and final day, England was 266 runs for 4 wickets, an improvement on its first innings of 77. Australia had declared its first innings closed at the overnight total of 213 for 7. *(Reuters)*

Franco Baresi Retires

SOCCER Franco Baresi, the veteran Italy and AC Milan defender, announced his retirement from professional soccer Monday.

Baresi, 37, played for Milan for 20 years. He said he would stay at the club as a vice president and would also work with the youth team.

Baresi made his Serie A debut with Milan in April 1978, and played 716 official games for the club, winning six Italian league titles and three European Cups. He played 81 times for Italy. *(Reuters)*

WNBA Claims Success

BASKETBALL Larger crowds and better television ratings than expected made the opening weekend of the Women's National Basketball Association a success, league officials said Monday.

Phoenix drew a record U.S. women's professional basketball crowd of 16,102 to a 76-59 rout of Charlotte on Sunday, one day after 14,284 watched New York beat host Los Angeles 67-57 in the WNBA inaugural game. About 4.5 million U.S. households watched. *(AFP)*

AFP

Mark Butcher watching the ball go by against Australia.

Adam Butler/Agence France-Presse

Tim Henman of Britain keeping his eye on the ball during his match Monday against Daniel Nestor of Canada.

Under Gray Skies, Britons Shine

By Ian Thomsen
International Herald Tribune

WIMBLEDON — The English gave themselves this day. They opened a new beautiful Wimbledon stadium with 10 of the greatest champions parading around, and then chased them all out to make room for Tim Henman. It was left to him to hit the first ball. He hit it and it began to rain.

"Warm-up is suspended," the umpire announced.

It was as if the English planned the opening Monday of Wimbledon knowing that the weather wouldn't let them

WIMBLEDON

dump too much pressure on No. 14 Henman, their first homegrown seed in 15 years. Whenever the English begin having too much fun, it rains and everyone runs for cover. It rained twice on Henman's straight-sets victory.

Later in the day, when a nationalistic roar shot up through the hole in the Centre Court roof for Greg Rusedski — who isn't even a real Briton — well, that was just too rich. The rain came fast and hard. Play was suspended immediately after Rusedski had taken the first set, 7-6 (8-6), over the No. 7 seeded Mark Phillipoussis of Australia, and after a delay Rusedski won the second set by the same score.

In the last few days, Rusedski has been complaining that Henman has been getting all of the British attention. It seems that if Rusedski had known it was going to be like *that*, he never would have ditched his native Canada a few years ago to become a British star. It seems he feels cheated.

For Henman, the issue of support is reversed. Many worry that he is being overwhelmed, although for the moment he does not seem worried at all. "It's nice that they've given me the opportunity to have that opportunity," Henman said of the chance to open Court No. 1 with his 7-6 (13-11), 6-1, 6-4, victory over Daniel Nestor of Canada. "No added pressure. At the end of the day, with the attention, with playing on Court 1, still you have to put all that aside and get on with the job in hand."

The new 11,000-seat court is meant to be a brighter, modernized but subservient version of Centre Court. It has a shopping mall underneath and a picnic area outside. The problem with brightness in England is that it lets the rain in. Most of those sitting around the new court Monday probably would have been willing to accept a little more public-house darkness in exchange for a little more roof. Currently, only the top few rows of seats are protected.

The first applause in the new stadium was put forth, aptly, for the crew that came out to remove the tarp. A couple of red carpets were laid on the grassy stadium floor and a table was covered with a green cloth while the signs on the electronic scoreboards helped build on the sense of anticipation with slogans like, "Picnic hampers and other bulky packages may not be taken into the stands," and "Please do not use flashlight photography during play."

A man in a tie came out and began to set the table with 10 plates. For a moment we thought we had been brought outside to watch the club members eat.

BUT THE plates were silver, and there was one for each of the three-time (or more) champions who were introduced one by one, including Louise Brough, Rod Laver, Margaret Court (now The Reverend Margaret Smith), Billie Jean King, John Newcombe, Chris Evert, Martina Navratilova, John McEnroe, Boris Becker and Pete Sampras.

The loudest applause might have been for Sampras. He was also the least affected, marching his lap behind the others with his head down, more concerned about his immediate future than about the past.

Three British ladies champions were also introduced from their seats in the audience. Then, after all this, came the 22 year old from Oxford, Henman, holder of one career tour title and recipient, more recently, of painful elbow surgery. Mainly because he is the hope — at this early stage in his career, a slim hope at that — of becoming the first British singles champion at Wimbledon in 61 years, he has been trying to shut his eyes to the sight of his mirroring image on the covers of newspapers and magazines everywhere in Britain. During the opening ceremony he was in a waiting room playing backgammon.

"I think it would give me a chance to be a little bit distracted," Henman said of the praise.

Reigning Champ Beats Rain to Win

Reuters

LONDON — Richard Krajicek dodged the showers to begin the defense of his Wimbledon title with a straight-sets victory over German Marcello Craca on Monday.

The rain meant that only a dozen matches were completed. Krajicek had just set foot on Centre Court when rain sent him back to the locker room. Another downpour interrupted the third set for 75 minutes, but the Dutchman won 7-6 6-2 6-4 after one hour 41 minutes of play.

Second seed Goran Ivanisevic sped through his match on Court Two in 64 minutes, where play began earlier than on Centre Court, before the rain started. He beat a Romanian, Dinu Pescariu, ranked 106th in the world, 6-1 6-3 6-3.

Iva Majoli, the French Open champion but a novice on grass, got her first victory at Wimbledon. She beat Argentine Mariana Diaz Oliva, 2-6 6-0 6-3.

Ronaldo Scores Twice To Give Brazil Victory

Reuters

SANTA CRUZ, Bolivia, — Mexico finally won a penalty shoot-out as it reached the Copa America semi-finals Sunday, while Ronaldo scored both goals for Brazil as it overcame Paraguay in a disappointing game.

Jose Luis Chilavert, the Paraguay goalkeeper, also made his mark Sunday,

WORLD SOCCER

denying Ronaldo a hat-trick when he saved a second-half penalty.

Mexico's last two World Cup campaigns have ended with penalty shoot defeats against Germany in 1986 and Bulgaria in 1994.

On both occasions, Mexico missed two penalties. But it won the shoot-out Sunday against Ecuador in Cochabamba, 4-3, after the match had finished 1-1. Mexico again missed two attempts, but goalkeeper Adolfo Rios saved three Ecuadoran efforts.

Mexico travels to high-altitude La Paz to face Bolivia on Wednesday in the first semi-final.

Ecuador made an early breakthrough when Luis Capurro, who later missed his attempt in the shoot-out, scored from the penalty spot. Cuauhtemoc Blanco equalized for Mexico 12 minutes later.

Ronaldo's killer instinct was the difference between the teams. Paraguay set up several chances but could not score. In the 17th minute, Ronaldo took the ball off an opponent, used his explosive acceleration to burst away and then fired a shot beyond the helpless Chilavert. He scored from a similar position in the 34th minute after Denilson slipped a clever pass between the Paraguayan defenders. Paraguay claimed Ronaldo was offside.

In the second half, Brazil was awarded a penalty when Chilavert fouled Ronaldo. But the Paraguayan captain brilliantly saved Ronaldo's shot.

Chilavert had two attempts to score from free kicks but fired one effort into the defensive wall and blasted his second in the direction of the Andean foothills.

Brazil will face Peru on Thursday in the other semi-final.

WORLD YOUTH CHAMPIONSHIPS

Kostas Salapasidis scored four goals, including a last-minute penalty Monday, as Australia beat the champion Argentina, 4-3, in Kangar, Malaysia, in the Under-20 championships. The upset lifted Australia to the top of Group E and left second-placed Argentina in the same half of the draw as Brazil.

England won Group F by beating Mexico, 1-0. Mexico faces a tough pre-quarter-final against France. Michael Owen of Liverpool scored the only goal in the 65th minute.

England plays Argentina on Thursday, with the winner almost certain to face favorite Brazil in the quarter-finals. Brazil plays Belgium in its next match.

Japan fought out a 3-3 draw with Paraguay to finish second, after Spain, in Group D. Spain routed lowly Costa Rica 4-0, to win all three group matches.

Australia suffered an early setback when Bernardo Romeo put Argentina ahead. Salapasidis scored twice just before half-time and hit his third in the 54th minute. Diego Placente narrowed the margin, and Roman Riquelme made it 3-3 with a penalty two minutes from the end. Australia won a penalty in the dying seconds when Juan Serrizuela brought down Salapasidis, who then scored.

The United Arab Emirates, which had lost its first two games, 5-0, beat Ivory Coast, 2-0, to finish third in Group B and qualify as one of the four best third-place teams. Canada beat Hungary, 2-1, to finish third in Group E and advance. The results Monday meant that the United States, third in Group C, will face Uruguay.

Daniel Garcia/Agence France-Presse

Brazil's Romario, left, Ronaldo, center, and Leonardo celebrating.

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Baltimore	48	22	.686	—
New York	40	32	.556	9
Toronto	33	36	.478	14½
Detroit	32	38	.457	16
Boston	32	40	.444	17

CENTRAL DIVISION

	W	L	Pct.	GB
Cleveland	37	32	.536	—
Kansas City	34	35	.493	3
Milwaukee	34	35	.493	3
Chicago	34	37	.479	4
Minnesota	33	39	.458	5½

WEST DIVISION

	W	L	Pct.	GB
Seattle	42	31	.575	—
Anaheim	38	34	.528	3½
Texas	36	35	.507	5
Oakland	30	45	.400	13

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	47	26	.644	—
Florida	43	29	.597	3½
Montreal	41	31	.569	5½
New York	41	32	.562	6
Philadelphia	22	49	.310	24

CENTRAL DIVISION

	W	L	Pct.	GB
Houston	37	37	.500	—
St. Louis	33	39	.458	3
Pittsburgh	33	40	.452	3½
Cincinnati	30	42	.417	6
Chicago	28	45	.384	8½

WEST DIVISION

	W	L	Pct.	GB
San Francisco	42	31	.575	—
Colorado	39	35	.527	3½
Los Angeles	36	37	.493	6
San Diego	31	42	.425	11

SUNDAY'S LINESCORES

AMERICAN LEAGUE

Baltimore 200 010 206—5 10 0
Toronto 101 000 000—2 8 2
Kamieniecki, Rhodes (7), A. Benitez (8), Ra.Myers (9) and Webster; Person, Spoljaric (6), Quantrill (9) and O'Brien. W—Kamieniecki, 6-3. L—Person, 2-5. Sv—Ra.Myers (25). HR—Baltimore, Hammonds (8).
Boston 000 001 100—2 6 1
Detroit 100 000 000—1 7 0
Gordon, Hammond (8), Slocumb (9) and Hatteberg; Blair, M. Myers (7), Brocail (9) and Casanova. B. Johnson (8). W—Gordon, 5-6. L—Blair, 4-4. Sv—Slocumb (7).
New York 000 020 000—2 8 0
Cleveland 100 200 10x—5 10 0
D.Wells, Ka.Rogers (5) and Girardi; Br.Anderson, Assenmacher (8), M. Jackson (9) and S. Alomar. W—Br.Anderson, 2-1. L—D. Wells, 8-4. Sv—M. Jackson (8). HR—Cleveland, S. Alomar (11).
Minnesota 000 001 000—1 9 1
Chicago 001 010 00x—2 8 1
Hawkins, Trombley (6), Guardado (8) and G. Myers; Navarro, R.Hernandez (9) and Fabregas. W—Navarro, 5-6. L—Hawkins, 1-1. Sv—R. Hernandez (16).
Kansas City 000 020 130—6 7 1
Milwaukee 100 000 201—5 13 1
Appier, Cassian (7), Pichardo (7) Honey (8), J. Montgomery (9) and Fasano; B.McDonald, Wickman (8), Vitiello (9) and Matheny. Stinnett (8). W—Pichardo, 2-2. L—Wickman, 4-3. Sv—J. Montgomery (2). HRs—Kansas City, C. Davis (11). J. Bell (11). Milwaukee, Burnitz (10).
Oakland 001 121 100—6 6 1
Anaheim 100 220 20x—7 13 0
Oquist, A. Small (6), Mahler (8) and Ga.Williams; C.Finley, P.Harris (7), James (8), Percival (9) and Kreuter. W—P. Harris, 1-2. L—A. Small, 5-4. Sv—Percival (8). HRs—Oakland, Mashore (2), Berroa (16), Canseco (14). Anaheim, Hollins (10).
Seattle 020 001 101—4 12 2
Texas 000 011 020—4 10 2
Fossers, Ayala (8) and Da.Wilson; Burkett, Vosberg (9), X.Hernandez (9) and I. Rodriguez. W—Fossers, 7-3. L—Burkett, 5-6. Sv—Ayala (6). HRs—Seattle, Griffey Jr (29), Buhner (20).

NATIONAL LEAGUE

Florida 000 000 002—2 6 0
Montreal 000 000 000—0 4 1
KJ.Brown, Cook (8), Stanifer (8), F. Heredia (8), Nen (9) and C.Johnson; Hermanson, Urbina (9), Telford (9) and Widger. W—F.Heredia, 4-0. L—Urbina, 2-5. Sv—Nen (19).
Chicago 000 000 001—1 6 1
Houston 201 000 00x—3 5 2
Hampton, B. Wagner (9) and Ausmus. W—Hampton, 3-6. L—Foster, 8-5. Sv—B. Wagner (13). HR—Houston, Bagwell (22).
Atlanta 010 020 000—12 17 0
Philadelphia 120 020 000—5 10 0
G.Maddux, Byrd (6), Clontz (9) and Edd.Perez; Stephenson, Nye (3), Blazier (4), R. Harris (6), Gomes (6), Spradlin (9) and Parent. W—G. Maddux 9-3. L—Stephenson 2-3. HRs—Atlanta, Blauser (9), Tucker (5), Ch.Jones (10), McGriff (10). Philadelphia, Morandini (1).
Cincinnati 002 000 000—2 4 0
St. Louis 100 010 12x—5 9 1
Tomko, Sullivan (5), Remlinger (7), Bellada (8) and Fordyce; Al.Benes, Eckersley (9) and Difelice. Lampkin (9). W—Al.Benes, 7-6. L—Sullivan, 1-2. Sv—Eckersley (14).
Pittsburgh 000 420 102 0—9 12 0
New York 012 104 000 3—12 18 2
(10 innings)
Loaiza, Silva (4), Sodowsky (6), Christiansen (6), Loiselle (8), Peters (10) and Kendall; Lidle, Acevedo (5), R. Jordan (7), McMichael (8), Jo.Franco (9), Koshiwoda (10) and Hundley. W—Koshiwoda 2-0. L—Peters 2-1. HRs—New York, L. Johnson (1), Hundley (17), Everett (8).
Colorado 000 010 100—2 4 2
San Diego 000 000 04x—4 5 0
Thomson, B. Ruffin (8), Leskanic (8) and Je.Reed; J.Hamilton, T.Worrell (8), Hoffman (9) and C. Hernandez, Flaherty (9). W—T.Worrell, 3-6. L—B. Ruffin, 0-2. Sv—Hoffman (12). HR—Colorado, Je.Reed (7).
Los Angeles 001 010 000—2 7 2
San Francisco 100 100 20x—4 5 0
Park, Guthrie (7) and Piazza; Reeter, R. Rodriguez (8), Tavarez (8), Beck (9) and Berryhill. W—Reeter, 4-2. L—Park, 5-4. Sv—Beck (24). HRs—Los Angeles, Gagne (5). San Francisco, Bonds (16).

CRICKET

AUSTRALIA TOUR
2ND TEST, 5TH DAY
ENGLAND VS. AUSTRALIA
MONDAY, IN LONDON

England: 77 and 266 for four
Australia: 213-7 declared.
Test ends in draw.
England leads 1-0 in the 6-test series.

SRI LANKA TOUR
2ND TEST, 4TH DAY AT LURIN
WEST INDIES VS. SRI LANKA
MONDAY, IN KINGSTOWN, ST. VINCENT

West Indies: 147 and 226-3
Sri Lanka: 222.

FOOTBALL

WORLD LEAGUE
WORLD BOWL
SUNDAY, IN BARCELONA

Barcelona 38, Rhein 24

GOLF

BUICK CLASSIC

Final scores Sunday in $1.5 million PGA Buick Classic, played on 6,722-yard (6,144-meter), par-71 Westchester Country Club in Harrison, N.Y. (U.S. unless stated):

Ernie Els, S. Africa	64-68-67-69—268
Jeff Maggert	67-69-66-68—270
Jim Furyk	67-68-69-70—274
Robert Damron	71-66-68-69—274
Jim Carter	69-70-71-65—275
Bob Estes	71-67-71-68—277
Clarence Rose	69-69-70-69—277
Stewart Cink	73-68-66-70—277
Brad Fabel	69-67-74-68—278
Pete Jordan	69-68-69-72—278

WORLD GOLF RANKINGS

1. Ernie Els, South Africa, 9.95 points
2. Tiger Woods, U.S. 9.68
3. Colin Montgomerie, Britain, 9.61
4. Greg Norman, Australia, 9.51
5. Nick Price, Zimbabwe, 9.24
6. Tom Lehman, U.S. 8.96
7. Steve Elkington, Australia, 8.74
8. Masahiro Ozaki, Japan, 8.17
9. Mark O'Meara, U.S. 7.53
10. Nick Faldo, Britain, 7.07
11. Phil Mickelson, U.S. 7.06
12. Brad Faxon, U.S. 6.86
13. Scott Hoch, U.S. 6.81
14. Fred Couples, U.S. 6.79
15. Jesper Parnevik, Sweden, 5.67
16. Bernhard Langer, Germany, 5.57
17. Ian Woosnam, Britain, 5.44
18. Davis Love III 5.27
19. Vijay Singh, Fiji, 5.02
20. Tom Watson, U.S. 4.97

SOCCER

EINTRHOTO CUP

GROUP 1
Dinamo-93 Minsk, Bel.1, Heerenveen, Neth.0
Aalborg, Den., 2, Polonia Warsaw, Pol. 0

GROUP 2
H. Dragovoljac, Croatia, 0, Bastia, France, 1
Graz, Austria, 2, Silkeborg, Denmark, 0

GROUP 3
Ards, N. Ireland, 0, Royal Antwerp, Belg. 1
Lausanne, Switz., 4, Nea Salamina, Cyprus, 1

GROUP 4
Maccabi Petah Tikva, Isr. 1, Cologne, Ger. 3
Standard Liege, Belg. 0, Aarau, Switz., 0

GROUP 5
Boltiolagid, Faroe Islands, 0, Genk, Belg., 5
Panachaiki, Greece, 1, Shaboek, Norway, 1

GROUP 6
Ithrottufelagid, Icel., 1, Hamburg, Ger., 2
Samsunspor, Turkey, 2, Odense, Denmark, 0

GROUP 7
Universitatea, Lat., 1, Istanbulspor, Turkey, 5
Oster Vaxjo, Sweden, 1, Vasas, Hungary, 4

GROUP 8
Kongsvinger, Nor., 1, Lommel, Belgium, 1
Hajduk Rodic, Yug., 0, Halmstad, Sweden, 1

GROUP 9
Zilina, Slovakia, 3, Austria Vienna, Austria, 1
Odra Wodzislaw, Pol., 2, Rapid B, Rom. 4

GROUP 10
Floria Bistrita, Rom. 1, Montpellier, Fr., 2
Groningen, Neth., 1, Cukaricki, Yug., 0

GROUP 11
Publikum, Slovenia, 1, Antalyaspor, Turk. 1
Proleter, Yug., 4, Maccabi Haifa, Israel, 0

GROUP 12
Merani, Georg. 0, Torpedo Moscow, Rus. 2
Ried, Austria, 3, Heraklis Salonika, Gr., 1

LIBERIAN CHAMPIONSHIP
Atlantics 0, Panerys 3
Zolgirls-Velmeda 1, Kereda 1
Inkaras 2, Zolgirls 1
STANDINGS: Kereda 64 points; Zolgirls 56; Inkaras 53; FBC Kavaras 41; Elramas 34; Panerys 26; Atlantics 18; Zolgirls-Velmeda 16.

MAJOR LEAGUE SOCCER
New England 3, Dallas 2, SO, 2-1,
STANDINGS: Eastern Conference: D.C. 29 points; New England 22; Tampa Bay 19; Columbus 17; NY-NJ 13; Western Conference: Kansas City 23 points; Colorado 22; Dallas 18; San Jose 11; Los Angeles 10.

COPA AMERICA

QUARTERFINALS
SUNDAY IN COCHABAMBA, BOLIVIA
Mexico 1, Ecuador 1
Mexico won 4-3 on penalties
Extra time is not played in Copa America.
SUNDAY, IN SANTA CRUZ, BOLIVIA
Brazil 2, Paraguay 0

SEMIFINALS
Wednesday in La Paz: Bolivia vs Mexico
Thursday in Santa Cruz: Brazil vs Peru

AFRICAN NATIONS CUP

GROUP 2
Mali 3, Benin 1
Ivory Coast 2, Algeria 1
STANDINGS: Mali 9 points; Ivory Coast 9; Algeria 4; Benin 1.

GROUP 3
Senegal 3, Ethiopia 0
STANDINGS: Morocco 8 points; Senegal & Egypt 3; Ethiopia 1.

GROUP 5
Cameroon 2, Gabon 2
STANDINGS: Namibia 7 points; Cameroon & Kenya 4; Gabon 3.

TENNIS

ATP RANKINGS
1. Pete Sampras, U.S., 4,743 points
2. Michael Chang, U.S., 3,768
3. Goran Ivanisevic, Croatia, 2,861
4. Thomas Muster, Austria, 2,724
5. Richard Krajicek, Netherlands, 2,648
6. Yevgeny Kafelnikov, Russia, 2,348
7. Alex Corretja, Spain, 2,208
8. Sergi Bruguera, Spain, 2,176
9. Thomas Enqvist, Sweden, 2,148
10. Marcelo Rios, Chile, 2,092
11. Carlos Moya, Spain, 2,085
12. Gustavo Kuerten, Brazil, 1,851
13. Mark Philippoussis, Australia, 1,845
14. Albert Costa, Spain, 1,820
15. Felix Mantilla, Spain, 1,724

WTA TOUR RANKINGS
1. Martina Hingis, Switzerland, 5,169 points
2. Steffi Graf, Germany, 3,451
3. Jana Novotna, Czech Republic 3,181
4. Monica Seles, U.S. 3,160
5. Iva Majoli, Croatia 2,963
6. Arantxa Sanchez, Spain 2,568
7. Amanda Coetzer, South Africa 2,539
8. Lindsay Davenport, U.S. 2,437
9. Mary Pierce, France 2,253
10. Anke Huber, Germany 2,252
11. Conchita Martinez, Spain 1,999
12. Irina Spirlea, Romania 1,806
13. Mary Joe Fernandez, U.S. 1,799
14. Kimberly Po, U.S. 1,603
15. Brenda Schultz, Netherlands 1,554

WIMBLEDON

1ST ROUND
WOMEN'S SINGLES
Spirlea (12), Rom. def. Nagyova, Slvk. 6-1, 6-3.
M.Maleeva, Belg. def. Pullin, Brit. 6-1, 6-3.
Torrens-Valero, Sp. def. Pizzichini, It. 1-6, 6-3, 6-4.
Garcia, Sp. def. Endo, Japan, 6-3, 6-3.
Chladkova, Czech, def. Kleinova, Czech 7-6 (7-5), 6-4.
Majoli (4), Cro. def. Oliva, Arg. 2-6, 6-0, 6-3.
Davenport (5), U.S. def. Jones, U.S. 5-7, 6-2, 6-2.

MEN'S SINGLES
Ivanisevic (2), Cro. def. Pescariu, Rom. 6-1, 6-3, 6-3.
Richardson, Brit. def. Duran, Sp. 7-6 (7-5), 6-3, 6-3.
Steven, N.Z. def. Roux, Fr. 6-2, 6-2, 7-6 (7-0).
Pavel, Rom. def. Dewulf, Belg. 6-1, 4-6, 7-6, 6-2, 6-3.
Moya (10), Sp. def. Bryan, U.S. 7-6 (7-1), 6-3, 4-6, 6-2.
Henman (14), Brit. def. Nestor, Can. 7-6 (13-11), 6-1, 6-4.
Krajicek (4), Neth. def. Craca, Ger. 7-6 (7-5), 6-2, 6-4.

TRANSITIONS

BASEBALL
AMERICAN LEAGUE
CHICAGO—Activated 1B Frank Thomas from 15-day disabled list. Optioned OF Jeff Abbott to Nashville, AA.
CLEVELAND—Recalled LHP Jason Jacome from Buffalo, IL. Optioned OF Trenidad Hubbard to Buffalo.
DETROIT—Designated OF Joe Hall for assignment. Announced LHP John Cummings has cleared waivers and has been assigned to Toledo, IL.
KANSAS CITY—Put LHP Glendon Rusch on 15-day disabled list, retroactive to June 16. Recalled OF Jon Nunnally from Omaha, AA.
MILWAUKEE—Signed OF Frank Candela. OF Larry Jacobsen, RHP Andrew Cavanaugh, RHP Chauncey Jones and C Jamie Mathis and assigned him to Ogden, PL.
OAKLAND—Released RHP Richie Lewis.
TEXAS—Signed RHP David Elder.
NATIONAL LEAGUE
CHICAGO—Recalled INF Miguel Cairo from Iowa, AA.
CINCINNATI—Recalled INF Aaron Boone from Indianapolis, AA.
FLORIDA—Put OF Cliff Floyd on 15-day disabled list. Recalled OF Billy McMillon and OF Todd Dunwoody from Charlotte, IL.
HOUSTON—Put RHP Russ Springer on 15-day disabled list. Recalled RHP John Hudek from New Orleans, AA.
LOS ANGELES—Signed C Will McCrotty and assigned him to Yakima, NL.
MONTREAL—Activated 1B David Segui and OF Vladimir Guerrero from 15-day disabled list. Put 3B Doug Strange on 15-day disabled list, retroactive to June 17.
PHILADELPHIA—Named Dave Montgomery managing partner, president and chief executive officer and Bill Giles chairman. Activated RHP Garrett Stephenson from 15-day disabled list. Optioned LHP Erik Plantenberg to Scranton/...
PITTSBURGH—Recalled OF Jermaine Allensworth from Calgary, PCL. Optioned OF Adrian Brown to Calgary.
FOOTBALL
NATIONAL FOOTBALL LEAGUE
ATLANTA—Signed DE Anthony Pleasant and C Calvin Collins. Claimed DE Jason Simmons off waivers.
HOCKEY
NATIONAL HOCKEY LEAGUE
NEW JERSEY—Traded two 1997 3rd-round draft picks to Ottawa for 1997 2nd-round draft pick.

Escorts & Guides

BELGRAVIA
ORCHIDS
LONDON - PARIS
THE FINEST & THE MOST SINCERE 18 - 28+ INTERNATIONAL BEAUTIFUL & ELEGANT STUDENTS SECRETARIES, AIR HOSTESSES & MODELS + AVAILABLE AS YOUR COMPANION 24HRS SERVICE WORLDWIDE Escort Agency Credit Cards Welcome
TEL: LONDON ++ 44 (0)
0171 589 5237

ROYAL PLATINUM SERVICE
ATLANTIC
LONDON PARIS NEW YORK
Switzerland Benelux Cote d'Azur INTERNATIONAL ESCORT SERVICE
++ 44 (0) 7000 77 04 11/22
kiss@at-star.com

MILAN * ITALY * TOP CLASS
Jolly Escort Service 39 (0)3462257767
+ Rome Lugano Paris Riviera Brussels

AMSTERDAM * DREAMS * ESCORTS and Dinner Date Service for Him or Her Tel: +31 (0) 20-64 02 666 / 64 02 111

CHIC-VIP
INTERNATIONAL ESCORT SERVICE
LONDON PARIS NEW YORK
Cote d'Azur Germany Prague
++ 44 (0) 7000 24 28 91
info@chic-vip.com

INTERNATIONAL ESCORTS
World's First & Most Exclusive Service Models, Beauty Queens, Actresses Multilingual Travel Companions
Hdqtrs. 212-765-7896 NY, USA
office@intl-escorts.com
Rated "Best in New York" by New York Magazine. Service worldwide.

SWITZERLAND-GERMANY-BELGIUM
++31-20-427 28 27
Zurich-Geneva-Basel-Berne-Frankfurt-Mainz-Wiesbaden-Cologne-Bonn-Duesseldorf-Munich-Berlin-Brussels-Antwerp + A: Vienna
LONDON: (0)171-978 6606
COSMOS Escort Agency - Credit Cards

VENUS IN FURS
24HR WORLDWIDE ESCORT SERVICE
LONDON 0171 362 7000
All cards. Advance bookings welcome

******** EUROCONTACT INT'L ********
Top level & travel service worldwide
PARIS*STOCKHOLM*GENEVA*ZURICH
RIVIERA*BRUSSELS*LONDON*VIENNA
MILAN*ROME*all GERMANY & USA
Escort Service Vienna ++43-1-212 0431

ASIAN * PERSIAN * ORIENTAL & CONTINENTAL Escort Service London
Tel: 0956 223317 24 hrs Credit Cards

GUYS & DOLLS Escort Service
MILAN*ROME*COTE D'AZUR*PARIS
BRUSSELS*LONDON*LUGANO*SPAIN
GERMANY*SCANDINAVIA*TOKYO ETC
Tel: +39 (0) 335 619 0436 Credit Cards

HIGH SOCIETY
Executive Escort Service
Germany, Paris, New York, London
Tel: London 0171 266 1033

ELITE Escort Service
NEW YORK CITY
1-800-464-6667

CHELSEA ESCORT SERVICE
51 Beauchamp Place, London SW1
Tel: 0171-584 6513

FAR EASTERN 0850 521 074
Japanese, Asian, Korean, Caribbean, Thai, Chinese, Malaysian & Philippino
London Escort Agency

BERLIN - "MARION'S"
Private Escort Service
Tel: 0172 - 301 45 95

BERN, BASEL, ZURICH
Escort Service.
+077/88 55 05. All cards.

BLACK BEAUTY ESCORT SERVICE
Exclusive Elegant Educated & Friendly
London & Heathrow. 01815082261.Cards

CITYFRANKFURT&AREA
Mara's Escort Agency
Please call 069 - 597 66 66 from 2pm

EXECUTIVE CLUB
LONDON ESCORT SERVICE
TEL: 0171 722 5008 Credit Cards

EMMANUELLE'S ESCORT SERVICE
** FRENCH SPEAKING **
LONDON 0171 262 2885 All Cards

** EUROPRESTIGE **
ESCORT SERVICE LONDON
TELEPHONE 0468 065 337

HEIDI'S HIGH SOCIETY*VIENNA*PARIS
COTE D'AZUR*ZURICH*GENF*MUNICH
International Escort & Travel Service
Vienna ++43-1-5354104 all credit cards

GLAMOUR INTERNATIONAL
LONDON ESCORT SERVICE
0171 724 0771

YOUNG PREMIER ESCORTS 24 hrs
European, Oriental, Asian for your delight 0171 266 3040 Credit Cards

GENEVA PRETTY WOMAN
Call 022 / 346 00 89 Escort Agency
LAUSANNE-MONTREUX- BASEL
ZURICH - CREDIT CARDS

INTERNATIONAL YOUNG Entrepreneur
Private & Discreet Escort Service
London Tel 0956 569 096

LES RICHMONDS Escort Service
ZURICH, Ladies and Gentlemen Tel: 079 / 441 71 48

MAYFAIR ESCORT SERVICE
Portfolios. Open 7 days.
Mayfair Tel: 0171 495 4721

MORRISON CLUB - VIENNA ESCORT
Service. 5, Rechte Wienzeile 2a
0222/586 98 84

VALENTINES INTERNATIONAL
VIP Escort Service photos to view central London office 0171 935 0005 all cards

VIENNA*PRAGUE: KENNEDY'S Escort
Service Friendly, elegant, attractive, cards. Day & night: (++43 1) 5335044

"ZURICH * CAROLINE"
Escort Service
Tel. 01 / 261.49.47

هكذا من الاصل

SPORTS

Olympic Thrills And Wild Parties: It's the X Games

By Samantha Stevenson
New York Times Service

SAN DIEGO — Blue skies, sparkling water and 30,000 wild and crazy fans formed the backdrop of a production here that is on the verge of becoming this generation's Olympics. It is called the X Games, a three-year-old invention of ESPN, the U.S. cable TV sports network, for those twentysomethings known as Generation X.

"We are already bigger than most athletes in the Olympics," said Tony Hawk, a 29-year-old skateboarder and owner of Birdhouse, a skateboard company in Huntington Beach, California. "We already have the integrity."

The only difference is the regimen, said Andy Macdonald, Hawk's partner in a doubles skateboarding competition.

"Olympic athletes have six days on and one day off," said Macdonald, 23. "They swim and run and lift weights or whatever. We ride with our friends and have a good time. It has never been a sport to have a coach and a trainer."

A small percentage of these alternative athletes make more money than most Olympians — as entrepreneurs. Hawk's company is leading the industry that caters to the 9 million Americans who buy skateboards and the clothing that goes with the sport, such as baggy shorts, jeans, T-shirts and hats.

For others, such as Macdonald, the life is a simple one: living close to the beach, but with enough money from sponsors to get by. Many of the 450 athletes competing in 27 disciplines in 11 sport categories at the X Games are carpenters, teachers, writers, models, bartenders and doctors.

For many, their sports are as serious as they want them to be.

"If it became an Olympic sport, I wouldn't compete," said Chris Edwards, 23, an in-line skater who finished third in the men's aggressive vert, a competition in which skaters perform their best routines inside a large half-pipe.

"I'd just ride, even if there was a mess load of money," he added.

"My generation used to love team sports," said Edwards, who owns a skating clothing and equipment company in Minneapolis. "But now it's about bikes and in-line skating and rolling and going fast. Team sports are a thing of the past. Baseball is at an all-time low, and people don't care. We're growing, and they are declining."

The animated and enthusiastic crowds that have come to this beach area called Mariner's Point for free seem to back up Edwards's claim.

The organizers of the X Games say the games attract more men from 12 to 34 years old than any other sporting event on television.

Indeed, on a Saturday, it was mostly hip and shirtless men who took in the live action on giant television screens while the music of Sublime and Ska blasted through loudspeakers and sponsor booths did swift business — even the Marine Corps showed up.

Teenage girls in braces giggled and asked skaters for autographs.

Young women with tattoos and bikini tops maneuvered past security guards to be up close and personal with the new stars.

"It's a male-dominated sport," said Mary Nelson, a 26-year-old college graduate who has been competing in the women's street skating event for two years. "We have an older female competitor who wears a G-string under her baggy shorts so that when she does her flips the judges see the string. It's female sexual objectification."

SEVENTY-NINE of the X Games athletes are women. One of those is 14-year-old Katie Brown, from Jacksonville, Florida, the only American who competed in the women's in-line vert competition. She came in last.

Brown, who has already had surgery for a torn anterior cruciate ligament and ripped cartilage, is closely guarded by her brother and manager, 22-year-old Beau Brown. She will skate in her stronger division, street skate, on Wednesday.

"It's getting better for the women," Beau Brown said. "The level of competition has stepped up. The women are gaining respect from the men. Not equals yet, but getting respect from the guys. The girls stick together. It's pretty healthy out here. And, sure, there are some wild parties."

Wild seems to be the operative word for these Southern California X Games, which continue through Saturday.

Whether the extreme edge of these athletes, with names such as Beauty, Rat, Pistol Pipe, the Glide and Jedi Knight, will ever make it past the opening ceremony of the Olympics is anyone's guess.

"Like, it's so big, it should be Olympian," Katie Brown said.

J. M. Owen/The Associated Press

Mariners' catcher Dan Wilson and Texas Rangers' Will Clark colliding at home as Clark scored. Seattle won.

Braves' Victory Soured by Injury

Chipper Jones Limps Off During Rout of Phillies

The Associated Press

What looked like an easy afternoon in Philadelphia was almost wrecked for the Atlanta Braves when Chipper Jones collided with first baseman Mike Mordecai on a routine popup by Rico Brogna in the eighth inning.

Jones fell writhing to the ground and had to be helped off the field with a sore left knee, the same one that was injured and cost him the entire 1994 season. This time, the prognosis was a lot better for the All-Star third baseman.

"I think it's just a strain," said Jones, who ran into Mordecai's right knee. "The pain has subsided a lot since I came off the field. We'll just have to re-evaluate in the morning. We'll ice it and I'll stay off of it."

Earlier Sunday, Jones had hit one of Atlanta's four homers in a nine-run third inning. He had four hits as the Braves sent the Phillies to their eighth straight loss, 12-5.

The Braves tied a franchise record by hitting four home runs in an inning. Jeff Blauser led off with a homer, Jones and Fred McGriff hit consecutive shots, and Michael Tucker connected later.

Greg Maddux (9-3) helped himself with a two-run double.

Mets 12, Pirates 9 In New York, John Franco blew a save chance in the ninth inning for the second time in four days against Pittsburgh. He responded by tossing his glove, hat and a water cooler, but Carl Everett hit a three-run homer in the bottom of the 10th to win the game for the Mets.

"Plain and simple, I stunk," Franco said. "I'm frustrated at myself. I didn't get the out when I needed to."

Pittsburgh tied the game at 9 on Joe Randa's two-out, two-run double in the ninth off Franco.

On Thursday night, Franco allowed a tying, three-run homer to Dale Sveum of the Pirates with two outs in the ninth, a game the Mets wound up winning, 7-6. On Wednesday, Franco gave up Tino Martinez's game-winning single in the 10th at Yankee Stadium.

Giants 4, Dodgers 2 In San Francisco, Barry Bonds hit his 16th homer and Kirk Rueter pitched seven strong innings as the Giants beat Los Angeles.

The Giants scored two in the seventh to break a 2-2 tie. With runners at first and third with one out, first baseman Eric Karros bobbled a grounder by pinch-hitter Mark Lewis to allow a run to score. It was Karros's second error of the game.

Padres 4, Rockies 2 Tony Gwynn hit a three-run double in the eighth inning, rallying San Diego past the visiting Rockies.

Colorado rookie John Thomson blanked the Padres on three hits for seven innings. But he left after a single and a walk in the eighth, and reliever Bruce Ruffin walked Chris Gomez to load the bases with one out.

Gwynn followed with a one-hopper off the fence in left-center for a 3-2 lead. He went 2-for-4, raising his average to .393.

Cardinals 5, Reds 2 Dennis Eckersley tied Jeff Reardon for second place on the career saves list with 367, preserving the Cardinals' victory over Cincinnati in St Louis.

Eckersley pitched the ninth for his 14th save of the season. He trails only Montreal's Lee Smith, who has 478 overall.

Astros 3, Cubs 1 Mike Hampton, 0-3 with a 6.52 earned run average in his previous seven starts, shut out Chicago on four singles for eight innings at the Astrodome. Hampton (3-6) left after a leadoff double in the ninth by Ryne Sandberg, and Billy Wagner closed for his 13th save.

Marlins 2, Expos 0 Edgar Renteria broke a scoreless tie with a two-out single in the ninth inning, and Florida won at Olympic Stadium.

Rookie Todd Dunwoody doubled to start the ninth and the Marlins loaded the bases with one out. Bobby Bonilla popped out, but Renteria singled. Another run scored when a throw by right fielder Vladimir Guerrero sailed to the backstop.

White Sox 2, Twins 1 In Chicago, Jaime Navarro (5-6) held down Minnesota for eight innings, and Ray Durham drove in both runs for the White Sox with a pair of sacrifice flies.

Frank Thomas, sidelined since June 7 because of a strained stomach muscle, was activated before the game. He went 0-for-4 for the game and is batting .383.

Royals 6, Brewers 5 Chili Davis hit a three-run homer in the eighth inning as Kansas City won in Milwaukee.

Milwaukee had taken a 4-3 lead in the seventh with three runs on five consecutive singles.

Angels 7, Athletics 6 In Anaheim, Troy Percival retired Jose Canseco on a fly to deep left with the bases loaded in the ninth as the Angels completed a four-game sweep.

Mariners 6, Rangers 4 Seattle scored three runs in the second after a critical error by Benji Gil, and Jay Buhner and Ken Griffey Jr. hit homers as the Mariners completed a four-game sweep in Texas.

In games reported in the late edition Monday:

Red Sox 2, Tigers 1 In a frustrating season filled with acrimony, injury and losses, Boston finally enjoyed a memorable moment in its victory over visiting Detroit.

With two outs in the ninth inning, Boston left fielder Wilfredo Cordero, shortstop Nomar Garciaparra and catcher Scott Hatteberg executed a perfect relay play to get Brian Johnson at the plate for the final out.

Johnson was running on a 3-2 pitch when Jody Reed doubled into the left-field corner. Cordero played a hard carom off the wall perfectly and threw to Garciaparra in short left. Garciaparra's throw was in plenty of time for Hatteberg to tag out Johnson.

Indians 5, Yankees 2 In Cleveland, Sandy Alomar hit a three-run home run, and Brian Anderson pitched seven effective innings for the Indians, who won the final two games of the series.

Orioles 5, Blue Jays 2 In Toronto, Cal Ripken hit the 500th and 501st doubles of his career and drove in two runs for Baltimore.

Quarterback Stars As Barcelona Wins World Bowl

By Mike Carlson
International Herald Tribune

If uncovering star quarterbacks is the key to the World League of American Football's success, then Jon Kitna has given the league another reason to carry on.

In front of 31,000 fans at Barcelona's Montjuic Stadium, Kitna threw for 401 yards and two touchdowns Sunday to pace the Barcelona Dragons to a 38-24 victory over the Rhein Fire in World Bowl V.

Detroit's Scott Mitchell (who played for the World League's Orlando Thunder) and Minnesota's Brad Johnson (ex-London Monarchs) are the most visible stars produced by the NFL's development league, which is run as a joint venture with Fox TV.

Kitna, allocated to the league by the Seattle Seahawks, threw for scores of 66 yards to Mexican receiver Marco Martos and 40 yards to Alfonso Browning and was voted the game's most valuable player. Marcos, who entered the end zone backwards in a taunting move worthy of Deion Sanders, became the first non-American to score a touchdown in a World Bowl.

The Dragons had many things to prove. A number of players felt snubbed by the official WLAF all-star team, including safety Carlos Brooks, who intercepted Rhein's TJ Rubley and returned it 18 yards for a first-quarter score.

Four of Rhein's offensive line were all-stars, having allowed only one sack all season, but Barcelona's line gave Kitna time to pick Rhein apart. Although Barcelona sacked Rubley only once, it pressured him throughout, forcing him into subpar 11 for 30 throwing, with two interceptions.

If offensive linemen like Barcelona's Everett Lindsay (who is signed to the Minnesota Vikings) or Rhein's Ethan Brooks (Falcons) also have success in the NFL, it will help the league improve the quality of players allocated by NFL teams.

"Some teams use this league to prove to themselves that guys *can't* play," said one coach.

Jason Simmons, the defensive end allocated to Scotland by the St. Louis Rams is a case in point. He was voted to the all-league team, and selected by the coaches as the league's defensive MVP. Yet the Rams waived him last week, although he was then picked up by the Falcons.

The league had debated taking the game away from Barcelona. It was worried about declining attendances and a clash with the final day of the Spanish soccer league. But after Real Madrid clinched the title a week earlier, leaving second-place Barcelona with a meaningless final game, those worries were unfounded. But the question remains whether the 20,000 or so extra supporters who turned out for the final will return to see the Dragons next season.

"We will take things one step at a time," said one team official. "This is the greatest day in our history, and for now, we want to enjoy it."

Mike Carlson is the studio analyst on World League Football for SkyTV.

Cable Firms Team Up For Sports Network

The Associated Press

Rupert Murdoch, Tele-Communications Inc. and Cablevision Systems are teaming up to form a new U.S. sports network.

The three companies announced Monday that Fox/Liberty Networks, a joint venture of TCI and Mr. Murdoch's News Corp., would buy 40 percent of Cablevision's sports assets for $850 million.

These assets include the New York Knicks and Rangers and Madison Square Gardens as well as eight regional sports channels.

Those will be combined with nine Fox/Liberty regional sports channels and regional sports systems affiliated with Fox. Together, they will be used to assemble a national network.

The partners will compete with ESPN, which currently dominates sports on the cable.

Fox Sports Net, as the network will be called, will reach 55 million North American homes.

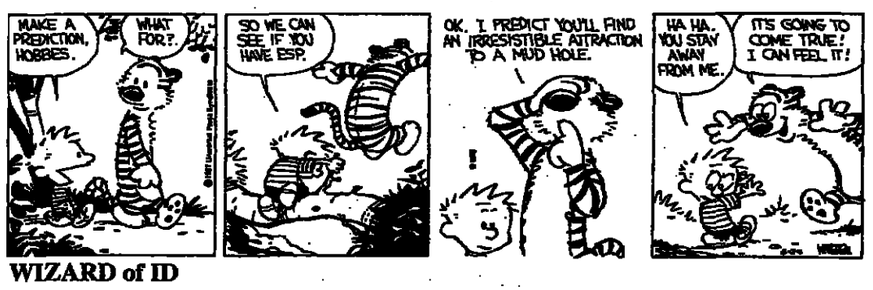
It will allow both partners to negotiate for national sports programming and national advertising dollars.

The network initially will have 24 major-league baseball teams, 22 National Basketball Association teams, 16 National Hockey League teams and college and local teams.

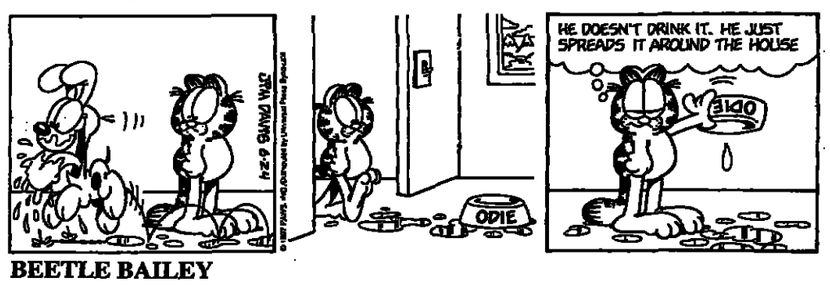
DENNIS THE MENACE

PEANUTS

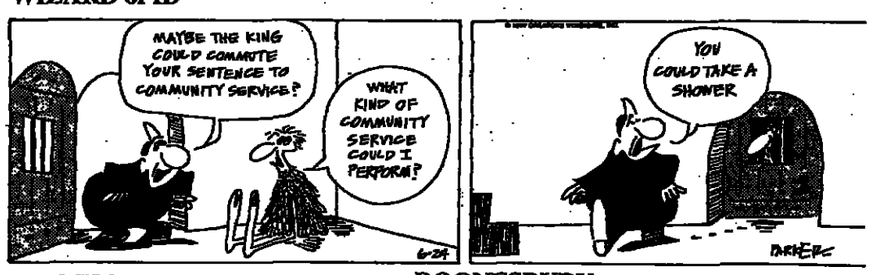
CALVIN AND HOBBES



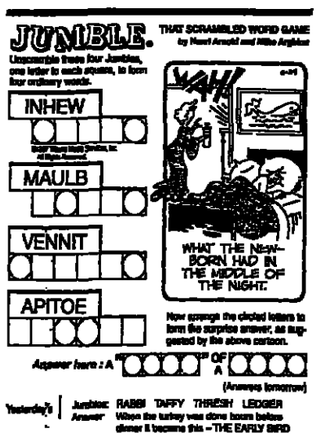
GARFIELD



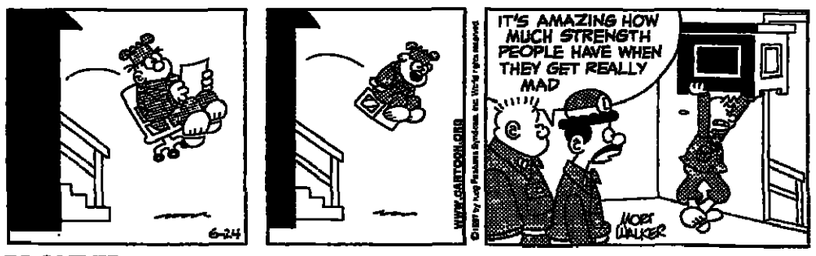
WIZARD of ID



JUMBLE®



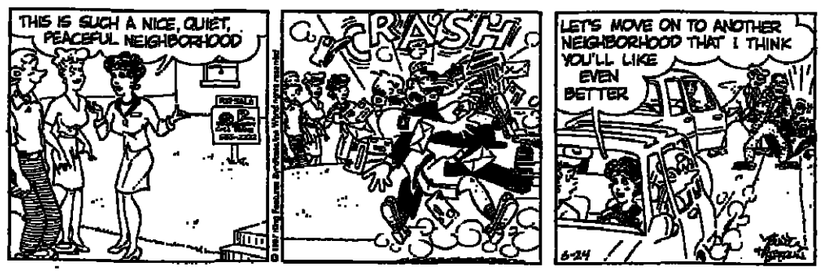
BEETLE BAILEY



NON SEQUITUR

DOONESBURY

BLONDIE



INTERNATIONAL FRANCHISES
Appears every Wednesday in The Intermarket.
To advertise contact Judith King in our New York office
Tel.: (1-212) 752 3890
Fax: (1-212) 755 8785
or your nearest IHT office or representative.

هكذا من الأصل

ART BUCHWALD

Setting the Date

WASHINGTON — Single mothers have more problems getting married than other people. I discovered this when I was witness to a proposal of a friend of mine named Jim, who said on bended knee to a friend of mine named Bonnie, "Will you marry me?"

Buchwald

Bonnie was taken by surprise. "When?"

Jim said, "It doesn't matter — it could even be at your convenience."

□

Bonnie, a single mother who has two children, said, "Well, I can't do it this week because I promised Nick's class I would drive them in a van to New Jersey."

Jim said, "But I love you very much. And want to live with you the rest of my life."

"And," said Bonnie, "I want to live with you the rest of my life except for next weekend when I am taking all the kids to see 'The King and I.'"

Jim was desperate. "Let me take care of you and make you happy and convince you that all men are not rotten."

"It sounds like bliss, but it will have to wait until Kathy is fitted with all her braces. She hates dentists."

Jim said, "I love children. I'll take good care of them."

"Nick does not like men touching me."

"Even after we're married?"

Bonnie said, "We could do it when the kids go to the movies. That way it won't cause trauma."

□

"Are you sure you want to marry me, Bonnie?"

"Of course, I'm sure, but let's not make any plans in July when I have to go visit my mother in Nantucket."

Jim got off his knees. "Maybe we should think it over."

"There is nothing to think over. You love me and I love you, and we could get married in September before school starts and I don't have to car pool."

"Will we have time for a honeymoon?"

"We'd have a week if I can get my sister to take care of our cat."

Lagerfeld Faces $3 Million Tax Bill

Reuters

NICE — An administrative court here has slapped a huge tax bill on fashion designer Karl Lagerfeld, concluding he evaded taxes during 1982-84, justice sources said on Monday.

They said the court, in a nonpublic judgment, ordered Lagerfeld to pay 18 million francs (about $3.1 million) in back taxes after rejecting his argument that he was a resident of Monaco, whose residents are exempt from income tax. Lagerfeld said he would appeal.

Lagerfeld, chief designer for French fashion house Chanel, Italian firm Fendi and his own signature line, is one of the world's best-known fashion names.

The ruling covers taxes due plus penalties for late payment, but does not include penalties for bad faith, the sources said.

The Real 'Ulysses'? Yes, He Said It Was, Yes

By Sarah Lyall
New York Times Service

LONDON — Even James Joyce didn't always know the precise words he intended to use in "Ulysses," his masterpiece and a book that was as challenging in the writing as it is in the reading.

The first edition of "Ulysses," published in 1922, was cobbled together from original drafts, addendums, piecemeal revisions and semi-legible scribbled notes. It was printed by a French company in Dijon whose employees did not speak English.

"I am extremely irritated by all those printer's errors," Joyce wrote to his patron, Harriet Weaver. "Working as I do amid piles of notes at a table in an hotel I cannot possibly do this mechanical part with my wretched eye and a half."

Joyce, who was suffering from glaucoma, never did do the "mechanical part," having to move on quickly to his next project and his next meager paycheck. The result was that "Ulysses," the story of a day in the lives of those two Dublin residents, Leopold Bloom and Stephen Dedalus, written in radically different styles and designed to echo Homer's epic, was never thoroughly edited to conform to its author's intentions — whatever those may have been.

The lack of a definitive version has consumed Joyce scholars and fanatics for the last seven and a half decades. And now, coinciding with the 75th anniversary of the book's publication, comes a new edition, edited and substantially tinkered with by Danis Rose, a Joyce scholar in Dublin. The new "Ulysses" is intended, Rose says, to do nothing less than change the way people approach Joyce's formidable novel.

Rose's edition was published on Bloomsday, June 16, the day in 1904 when the book takes place. But the sharks — in the form of Joyce scholars, critics and the James Joyce estate itself — were already circling. The author's estate, led by his grandson, Stephen James Joyce, tried to stop the book's publication on copyright grounds.

"Danis Rose decrees, by fiat, the reign of an editorial theory which violates every principle and procedure of critical editing, replacing it with nothing more than 'making sense' as construed, tautologically, by Danis Rose," wrote Lawrence Rainey, an associate professor of English at Yale University, in The London Review of Books. "His edition, if it can be called that, is a chastening example of how an excess of piety can imperceptibly turn into self-aggrandizing fantasy."

And John Kidd, director of the James Joyce Research Center at Boston University, said that Rose was "way out of the bounds of serious editing."

"No responsible editor has ever undertaken the scale of mutilation that Danis Rose has perpetrated on this text," said Kidd, who has made something of a career out of attacking new versions of "Ulysses." (He is at work on his own version.)

What has Rose done to deserve those remarks? For one thing he has made, he reckons, between 8,000 and 10,000 changes in the book's 250,000 words. These include altering spellings so they are accurate and consistent; changing punctuation by, for example, adding apostrophes to Molly Bloom's previously unpunctuated soliloquy; breaking up compound words so that, for instance, "lookingglass" becomes "looking glass" and altering the order of words for better logical sense.

In a work characterized by idiosyncratic punctuation (or none at all), creative spelling and sentences that often do not conform to normal standards of sentence structure, Rose says, such changes are necessary for an ordinary reader to understand the text. "I wanted people to be able to re-examine the text and to experience the delight that Joyce experienced, which has been clouded by errors and by the heavy-handed manner in which the text was presented to us," said Rose, who is 46 and has been working on Joyce texts for 20 years. "I have produced a text that, from an academic point of view, is closer to Joyce's meaning than anything else that has come before. If you think of 'Ulysses' as Joyce's mansion and each of the rooms as each of the episodes, I went in and opened the windows, let in the light and air, cleaned out the cobwebs so we could view with awe and admiration the beauty of the architecture and the exquisite craftsmanship of the furniture."

Bettmann Archive
James Joyce in 1928: He never corrected original printing.

Rose said he had identified a number of errors that had crept into the text when Joyce sloppily mistranscribed his own work. "In the process," Rose said, "he darkened the meaning which existed in the text at the time he wrote it and which can be fixed by careful scholarly analysis of documents."

If Rose knew that his work was opening a huge can of worms, so did Jon Riley, the publisher of Picador in London, which has just brought out the new edition. "Mr. Rose is highly respected in the Joyce world, but it's the most fractious and controversy-laden group of practically any area of literary study," Riley said. (Indeed, it is a world whose inhabitants are consumed with things like the issue of whether Joyce ever used a semicolon after 1919.)

Rose's edition is the first to come out since 1984, when a team of German scholars led by Professor Hans Walter Gabler of the University of Munich brought out a hefty critical edition. For several years, the new edition — which Gabler claimed corrected some 5,000 omissions, transpositions and other errors — became the definitive "Ulysses."

But in 1988, in large part due to the efforts of Kidd, who published an 8,000-word condemnation in The New York Review of Books, the Gabler edition was itself found to contain a large number of mistakes, severely discrediting both Gabler and his research methods. Fritz Senn, director of the Zurich James Joyce Foundation, said that in trying to make the text clearer, Rose may have subverted the very elements that brought genius to "Ulysses."

"This is not my 'Ulysses,'" he said. "I've always enjoyed the passages where you couldn't tell what the author meant and there were ambiguities and you had to backtrack in your reading. I think this sort of tentative reading is not characteristic of just 'Ulysses,' but also of art in the 20th century.

"Also, Joyce did take tremendous care with some details, but if he didn't take care enough with others, is it someone else's task to change him into a different kind of writer than he is? Why should you change an author when he's not infallible? 'Ulysses' is about a deficient, fallible world."

But, said Rose, Joyce wanted precision, not obfuscation.

"Nowhere in 'Ulysses' did Joyce seek anything but clarity," he said. "Joyce wanted a person, on the closest possible reading of 'Ulysses,' not to be tripped up. He wanted them to be able to take a microscope to his text and see definition."

What is next for Rose? "I'm going to proceed with my new edition of 'Finnegans Wake,'" he said.

PEOPLE

AFTER a scolding in the tabloid press, **Princess Diana** apologized Monday for taking her sons to "The Devil's Own," a movie about the IRA. The princess, who reportedly persuaded the theater staff to let the underage **Prince Harry**, 12, see the movie, said she had been unaware the film was about the Irish Republican Army. Harry and his brother, **William**, who turned 15 on Saturday, went to see the movie Sunday with their mother at a theater near their Kensington Palace home. The film, starring **Harrison Ford** and **Brad Pitt**, is licensed for audiences 15 and over. A statement from Diana's office said, "She apologizes for any distress which may have been caused by her taking her sons to see this film." The Odeon movie theaters said there would be an internal investigation into the matter. **Mary Weale**, head of the local licensing committee said, "We are going to investigate this incident. I take a dim view of anyone using their influence, or being influenced, to allow a child to see an unsuitable film in this borough."

□

Josef Brodsky, the Russian-born Nobel Prize-winning poet who died in New York at age 55 in January 1996, is finally to be buried in Venice. Brodsky was born in Saint Petersburg, formerly Leningrad, and **President Boris Yeltsin** had expressed hopes that the writer persecuted under communism would be buried in his native city. But his remains were transferred from the United States to Italy last weekend and he is to be buried in the windswept San Michele in Isola cemetery in Venice, a city of which he once wrote: "I will never possess this city but I don't mind because it possesses me."

□

Lena Horne says she has no problem turning 80. "I'm taking it with a grain of salt," the singer said of her June 30 birthday milestone. "I think you just have to look in the mirror and say, 'Look, this morning I got a few more wrinkles and there ain't too much I can do about that.'" She is to be honored at a Lincoln Center birthday gala, where she'll receive the Society of Singers' Ella Award, named for **Ella Fitzgerald**.

□

A rash of biopics of musical giants from the days of Flower Power are in the works. **Cuba Gooding Jr.**, who won the best supporting actor Oscar for "Jerry Maguire," is negotiating to star in "Blaze of Glory," about the soul singer **Otis Redding**, Entertainment Weekly reported. The magazine said that the story of **Jimi Hendrix** was now being developed and that Paramount and TriStar were getting ready to take a piece of the action on the **Janis Joplin** story. (Paramount favors **Melissa Etheridge**; Tristar is looking at a lip-synching **Lili Taylor**.) Why all the flashbacks? "Hollywood is absolutely ravenous for stories from real life," the producer **Michael Cieply** said. "When you talk about music stars of the '60s, you're talking about some amazing stories."

□

A Beijing factory worker turned soprano has won the Cardiff Singer of the World competition. **Guang Yang**, 26, won £10,000 ($16,500) in the Welsh contest, as well as appearances at a London recital and concert engagements. Until 1991, the singer worked in a factory. She then began formal voice training and went on to win honors in Paris and Japan. Her first solo concert was last August.

□

Steven Spielberg has bought film rights to "The Diving Bell and the Butterfly," the best-seller by **Jean-Dominique Bauby** recounting his mental life after a stroke. The movie is to be directed by **Scott Hicks**, who made "Shine," sources told Agence France-Presse. Bauby, who died in March, had a stroke in 1995 that left him almost entirely paralyzed. He dictated the book by blinking his left eyelid.

Chris Usher/The Associated Press
IN MEMORY — Anne Waldman reading a poem in tribute to fellow poet Allen Ginsberg at a Los Angeles show in his honor. The Beat poet died in April at age 70.

Every country has its own AT&T Access Number which makes calling home and to other countries really easy. Just dial the AT&T Access Number for the country you're calling from and you'll get the fastest, clearest connections home. And be sure to charge your calls on your AT&T Calling Card. It'll help you avoid outrageous phone charges on your hotel bill and save you up to 60%*. So when in Rome (or anywhere else for that matter), do as many business travelers do. Use AT&T. Please check the list below for AT&T Access Numbers.

هكذا من الأصل

AT&T Access Numbers

EUROPE			
Austria●○	022-903-011	Sweden	020-795-611
Belgium●	0-800-100-10	Switzerland●	0800-89-0011
Czech Republic▲	00-42-000-101	United Kingdom▲	0500-89-0011
France	0-800-99-0011		0800-89-0011
Germany	0130-0010	**MIDDLE EAST**	
Greece●	00-800-1311	Egypt●(Cairo)†	510-0200
Ireland	1-800-550-000	Israel	177-100-2727
Italy●	172-1011	Saudi Arabia◇	1-800-10
Netherlands●	0800-022-9111	**AFRICA**	
Russia ●▲(Moscow)♦	755-5042	Ghana	0191
Spain	900-99-00-11	Kenya▲	0-800-10
		South Africa	0-800-99-0123

Steps to follow for easy calling worldwide:
1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial the calling card number listed above your name.

Can't find the AT&T Access Number for the country you're calling from? Just ask any operator for AT&T Direct℠ Service, or visit our Web site at: http://www.att.com/traveler

Public, coinbox connections, from countries with voice prompts, compared to regular U.S. carriers on calls to the U.S. Closest based on customer preference survey. ♦ Compared to certain hotel telephone charges based on calls to the U.S. in October 1996. Actual savings may be higher or lower depending upon your calling method, time of day, length of call, fees charged by hotel and the country from which you are calling. Bold-faced countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. ○ Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all countries listed above. ● Public phones require deposit of coin or phone card for dial tone. ◇ Calling available to designated countries only. ▲ Limited availability. ◇ Calls, please request local coin payment during the call. "Dial "02" first, outside Cairo. Additional charges apply outside Amman. ©1997 AT&T